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**PATENT APPEAL BRIEF**

***Via EFS-Web***

***IN THE UNITED STATES PATENT AND TRADEMARK OFFICE BOARD OF PATENT  
APPEALS AND INTERFERENCES***

*Group Art Unit No.:* 3686 )

)

*Atty. Docket No.:* BRM0002 )

)

*In re application of:* Donald L. Glick et al. )

)

*Title:* MINISTRY SPECIALIZED INSURANCE )

TRANSACTION OBJECT ORIENTED )

SYSTEM AND METHOD )

)

*Application No.:* 09/702,489 )

)

*Filed:* October 31, 2000 )

)

*Examiner:* Vivek D. Koppikar )

**APPELLANT'S BRIEF**

Mail Stop Appeal Brief-Patents  
Commissioner for Patents  
P.O. Box 1450  
Alexandria, VA 22313-1450

Sir:

This appeal is taken following the Examiner's decision dated November 28, 2009, finally rejecting Claims 1-20, by way of a Notice of Appeal filed March 02, 2009. Pending Claims 1-20 are provided in the attached Claims Appendix.

(1) **REAL PARTY IN INTEREST**

The real party in interest is the Assignee of the present application, Brotherhood Mutual Insurance Company, by virtue of an Assignment from the inventors Donald L. Glick, Daryl G. Pannabecker, Tammy E. Shepard, Michael J. Allison, and Hugh W. White. The Assignment of the present application is not yet recorded.

(2) **RELATED APPEALS AND INTERFERENCES**

There are no other appeals or interferences known to the Appellant or the Appellant's representatives which will directly affect or be directly affected by or have a bearing on the Board's decision in the pending appeal.

(3) **STATUS OF CLAIMS**

Pending: 1-20  
Cancelled: None  
Allowed: None  
Rejected: 1-20  
On Appeal: 1-20

(4) **STATUS OF AMENDMENTS**

No amendments have been made subsequent to the Examiner's Final Rejection.

(5) **SUMMARY OF THE CLAIMED SUBJECT MATTER**

The present invention involves a computer network system and method for generating insurance quotes, rate determinations, or applications for ministry-specific or religious institution insurance policies. The computer network system utilizes a series of predetermined initial inquires about the desired ministry insurance and, based on responses to initial inquires,

generates additional inquires for completing the data needed to assess a ministry insurance situation. Based at least in part on user input to the initial and additional inquiries, the computer network system calculates insurance quotes, rate determinations, or applications for ministry-specific or religious institution insurance policies. See Para. 0034 and Fig. 1.

Additionally, the computer network system and method are capable of generating a communication from a server computer to a user computer that causes the user computer to determine if the user is an insurance agent. See Fig. 1, steps S10 and S20. If the user is determined to be an insurance agent, in addition to generating insurance quotes, rate determinations, or applications for ministry-specific or religious institution insurance policies the plurality of instructions generates a series of menus [e.g. "For Agents" 200, Fig. 2A] including options for the agent to save, store and retrieve user input information. See Fig. 2A.

The subject matter of independent Claim 1 relates to a computer network system [See Para. 0038, step S10] for generating insurance quotes, rates, and applications, including for ministry-specific coverages, for ministries and religious institutions upon input of information related to such ministries and religious institutions by a user. The computer network system comprises a server computer ["server" Para. 0034] in network communication ["two or more computers which are connected in such a manner that messages may be transmitted between the computers" Para. 0034] with a user computer ["workstations" Para. 0034] with a graphic user interface ["a user interface" Para. 0034] adapted to display inquiries and receive input information from a user. The server computer includes memory [containing "specific electrical or magnetic structural elements" Para. 0026] and a plurality of instructions ["describing various procedures ('methods') to be performed in response to 'messages'" Para. 0029]. The plurality of instructions comprises: a first portion for enabling said server computer to generate an initial inquiry relating to specifics of a potential ministry or religious institution insurance policy including information regarding activities including at least one of camps, schooling, daycare, counseling programs, and foreign mission operations, and send the initial inquiry to the user computer for interaction with the user [See Para. 0045, represented as S20, S30, S40, and S50]; a second portion for enabling the server computer to receive input information from the user, in response to the initial inquiry, and to generate, based at least in part on the input information, an additional inquiry including information about volunteers participating in the activities including at least one of camps, schooling, daycare, counseling programs, and foreign mission operations,

and send the additional inquiry to the user computer for interaction with the user [See Para. 0045, represented as S20, S30, S40, and S50]; a third portion for enabling the server computer to receive further input information from the user computer and calculate a quote or a rate for a ministry or religious institution insurance policy, including ministry-specific coverages, based on the input information and the further input information [Para. 0047, Fig. 1, step S80]; and a fourth portion for enabling the server computer to issue a policy [Fig. 1, step S90] containing ministry-specific coverages and premium billing information based on the input information and the further input information [Para. 0048].

The subject matter of independent Claim 2 relates to a method in a computer for generating ministry or religious institution insurance quotes and rates, including for ministry-specific coverages, upon input of ministry or religious institution related information by a user on a user computer in network communication with a server computer [See Para. 0037, Fig. 1]. The method includes generating a communication from the server computer ["server" Para. 0034] that, when received by the user computer ["workstations" Para. 0034], causes the user computer to determine if the user is an insurance agent [Para. 0039, Fig. 2C representing S30 in Fig. 1]; generating an initial inquiry, relating to specifics of a potential ministry or religious institution insurance policy that includes ministry-specific coverages including information regarding activities including at least one of camps, schooling, daycare, counseling programs, and foreign mission operations, on the server computer and sending the initial inquiry to the user computer for interaction with a user [Para. 0045]; receiving the input information from the user and generating an additional inquiry, based at least in part on the input information, including information about volunteers participating in the activities, and sending the additional inquiry to the user computer for interaction with the user and when the user is determined to be an insurance agent generating a series of menus, at least one of the menus 220 including a user edit screen enabling the agent to edit, save and retrieve stored input information [Para. 0039]; receiving further input information from the user computer in response to the additional inquiry and calculating at least one of a quote and a rate for a ministry or religious institution insurance policy containing ministry-specific coverages based on the input information and the further input information [Para. 0047, Fig. 1, step S80]; and issuing the policy S90 [Fig. 1] containing

ministry-specific coverages and related billing information based on the input information and the further input information [Para. 0048].

The subject matter of independent Claim 3 relates to a method of utilizing a machine-readable program storage device ["machine for performing the operations of the present invention" Para. 0027] for storing encoded instructions ["computer instructions describing various procedures ('methods')" Para. 0029] for quoting, rating, and saving quote information for insurance transactions that include ministry-specific coverages through a web based interface. The method includes generating a communication from a server ["server" Para. 0034] that, when received by a user computer ["workstations" Para. 0034], causes the user computer to determine if a user is an insurance agent [See Para. 0039, Fig. 2C representing S30 in Fig. 1]; collecting, on a user computer, quote related input information including information regarding activities including at least one of camps, schooling, daycare, counseling programs, and foreign mission operations and sending the quote information to the server [See Fig. 1, step S50]; receiving and storing the quote information on the server [See Fig. 1, step S70], and when the user is determined to be an insurance agent, generating a series of menus 220 with at least one of the menus including a user edit screen enabling the agent to edit, save, and retrieve stored input information [Para. 0039]; invoking a rate calculator on the server and calculating rates S80 [Fig. 1] based on the quote information [See Para. 0047]; storing the calculated rates with the quote information on the server [See Fig. 1, step S70]; and generating a communication to cause displaying, on the user computer, a quote document for one of ministries and religious institutions based on the quote information and calculated rates [See Fig. 1, step S90].

(6) **GROUND OF REJECTION TO BE REVIEWED ON APPEAL**

The Examiner rejected Claims 1-6, 8, and 10-20 under 35 U.S.C. § 103(a) as being unpatentable over US Patent Number 4,567,359 to Lockwood (hereinafter "Lockwood") in view of "Insurance Services of America" (<http://web.archive.org/web/19990420161222/http://missionaryhealth.com>) in further view of "Volunteers Insurance Service" (<http://web.archive.org/web/19991009121132/http://www.cimaworld.com/htdocs/volunteers.com>) in further view of US Patent Number 6,144,959 to Anderson (hereinafter

"Anderson") and in even further view of US patent Number 4,831,526 to Luchs (hereinafter "Luchs").

The Examiner rejected Claim 7 under 35 U.S.C. § 103(a) as being unpatentable over Lockwood in view of Insurance Services of America in view of Volunteers Insurance Service in further view of Anderson and in further view of US Patent Number 6,058,391 to Gardner (hereinafter "Gardner").

The Examiner rejected Claim 9 under 35 U.S.C. § 103(a) as being unpatentable over Lockwood in view of Insurance Services of America in view of Volunteers Insurance Service in further view of Anderson and in further view of US Patent Number 5,867,821 to Ballantyne (hereinafter "Ballantyne").

(7)

#### **ARGUMENTS**

**I. Claims 1-6, 8, and 10-20 are Patentable Over the Combination of Lockwood, Insurance Service of America, Volunteers Insurance Service, Anderson, and Luchs.**

Lockwood relates to a system for automatically dispensing information, goods and services to a customer on a self-service fashion. Lockwood relates to utilizing a central data processing center in which information on services offered by various institutions in a particular industry is stored. The central data processing center is remotely linked to various information, sales, credit, or data processing terminal booths provided at convenient locations. The system operates by detecting the presence of a customer in the booth and gathering information from the customer to relay to the central data processing center. The central data processing center performs insurance quotes and relays the information back to the customer in the booth, where the customer is asked if they would like to make a purchase.

By contrast, the inventions claimed in Claims 1-3 of the present application disclose a computer network system and a method by which insurance quotes, rates, and applications for ministry-specific coverages, for ministries and religious institutions, are generated upon input of customer information related to specific ministries and religious institutions. The computer network system generates an initial inquiry, relating to specifics of ministry or religious institution insurance policy including information regarding specific activities as camps, schooling, daycare, counseling programs, and foreign mission operations, and communicates the initial inquiry to the user computer. In response to the user responses to the initial inquiry, the

computer network system generates additional inquiries which include specific information about volunteers participating in the activities of camps, schooling, daycare, counseling programs, or foreign mission operations, and communicates the additional inquiries to the user. ***See Para. 0045 of the present application.*** Based on the user input to the inquiries, the computer network system calculates an insurance quote including ministry-specific coverages and can issue the insurance policy. ***See Para. 0047, Fig. 1 step S80 and S90 of the present application.*** Further, the computer network system communicates with the user computer causing the user computer to determine if the user is an insurance agent, and if so generates a series of menus allowing the agent to edit, save or retrieve stored information. ***See Fig. 1, step S10 and S20 and Fig. 2A of the present application.***

The Examiner acknowledges Lockwood does not disclose a computer network system for generating insurance quotes for ministries and religious institutions. ***See page 4 of Final Rejection of 11/28/2008.*** Further, the Examiner acknowledges Lockwood does not teach generating inquires including information regarding activities including at least one of camps, schooling, daycare, counseling programs, and foreign mission operations or generating additional inquiries which include specific information about volunteers participating in the activities of camps, schooling, daycare, counseling programs, or foreign mission operations. ***See page 4 of the Final Rejection of 11/28/2008.***

The Examiner cites Lockwood, in combination with the web advertisement of Insurance Services of America, as teaching a computer network system for generating insurance quotes for ministry and religious institutions based on inquires relating to activities which include at least one of maps, schooling, daycare, counseling programs, and foreign mission operations. ***See page 4 of the Final Rejection of 11/28/2008.*** The Examiner further cites Lockwood in view of Insurance Services of America in further view of Volunteers Insurance Service as teaching including information about volunteers participating in the activities. ***See page 4 of the Final Rejection of 11/28/2008.*** Appellant asserts that both the Insurance Services of America and the Volunteers Insurance Service references are improperly listed by Examiner as prior art. ***See Arguments IV. B. and C. below.*** However, assuming that both references are properly listed, Appellant asserts the combination of Lockwood in view of Insurance Services of America, and in further view of Volunteers Insurance Service does not sufficiently disclose or enable one of

ordinary skill in the art of insurance sales to perform a computer network system for generating insurance quotes which are ministry specific utilizing inquiries which are ministry specific.

Appellant first submits Lockwood does not disclose generating a second inquiry, based on user responses to a specific initial inquiry. Examiner has mischaracterized Lockwood as disclosing a system which communicates an initial set of inquires, and in response to user input relating to the initial inquiry, generates and communicates a specific additional inquiry regarding the practice of the activities identified in the initial inquiry. Claims 1 and 2 of the present invention specifically call for an initial inquiry regarding activities including at least one of camps, schooling, daycare, counseling programs, and foreign missions and based on the user responses to those programs, communicating an additional inquiry to the user regarding participation in the identified activities. It is the combination of the user responses to the initial and additional inquiry that allows the computer networking system to generate a quote or rate calculation for a ministry specific insurance policy. Examiner has pointed to no teaching or suggestion in the combination of Lockwood, Insurance Services of America, and Volunteers Insurance Service which would enable a system consisting of communicating an initial set of inquires to a user, and in response to user input relating to the initial inquiry, generating and communicating a specific additional inquiry regarding the practice of the activities identified in the initial inquiry response.

Additionally, Appellant asserts the combination of Lockwood, Insurance Services of America, and Volunteers Insurance Service does not disclose, teach, or suggest a system for on-line insurance policy quotes for religious institutions. Both Insurance Services of America and Volunteers Insurance Service are limited to individual and family plans. As such, Appellant contends that the combination of Lockwood with Insurance Services of America and Volunteers Insurance Service would not enable one of skill to practice the Appellant's invention in which an initial inquiry, relating to specific activities of an individual ministry or religious institution, is communicated with a user, is generated and in response to the user input a second inquiry is generated including information related to the activities or the individual or organization identified in the initial inquiry.

Examiner further acknowledges Lockwood in view of Insurance Services of America and in further view of Volunteers Insurance Service does not teach a system or method by which a



communication is sent to the user computer which when received causes the user computer to determine if the user is an insurance agent. *See page 5 of the Final Rejection of 11/28/2008.* The Examiner cites Lockwood, in view of Insurance Services of America and in further view of Volunteers Insurance Service in combination with Anderson as teaching the identification of the user as an insurance agent. The Examiner cites the motivation within Anderson, "having an enhanced means of managing user accounts" as supporting the combination of the four references. *See page 5 of the Final Rejection of 11/28/2008.* Appellant asserts that the combination of Anderson, to the above references, does not sufficiently disclose or enable the system and method disclosed in Claims 1-3 of the present Appellant for identifying if the user is an agent. Further, Appellant asserts that the motivation cited by Examiner does not support Examiner's finding of obvious and that Examiner has relied on impermissible hindsight for motivation.

Anderson relates to a system and method for managing user accounts in a distributed network that provides authentication to a client user account. Anderson relates to a system for centralized network management of user credentials (that are required for logging into various server systems) that can provide authentication of users to different type of server systems. *See Anderson, Col 14, ln. 66 - Col. 15, ln. 38.* The disclosure of the present application calls for authentication of the user. *See Para. [0039] of the present application.* However, the present application calls for the additional step of identifying the user as an insurance agent. In the present application an agent can be identified through an agent selecting a "For Agents" tab and then logging in through a login ID and password. *See Para. [0038] of present application.* Appellant asserts that although Anderson and the present application both use the word "authentication," the step and process of authentication as used in Anderson ("authentication of users to different type of server systems") does not disclose, teach, or enable a system and method of determining if a user is an insurance agent as claimed in the present application.

Additionally, rejections under 35 U.S.C. § 103 must be supported with "some articulated reasoning with some rational underpinning to support the legal conclusion of obviousness." *In re Kahn, 78 USPQ2d 1329, 1336 (Fed. Cir. 2006).* Appellant submits the motivation cited by Examiner does not support a finding of obviousness to combine Anderson with the other cited references. The Examiner cites "managing user accounts in a communication network" in

Anderson as providing motivation for combining the teachings of Anderson with Lockwood in view of Insurance Services of America and in further view of Volunteers Insurance Service in order for teaching "generating a communication from the server computer that, when received by the user computer, causes the user computer to determine if the user is an insurance agent." *See page 5 of the Final Rejection of 11/28/2008*. However, Appellant asserts the motivation in Anderson, "managing user accounts in a communication network," cited by the Examiner, is in the context of allowing a user to be able to access a plurality of servers (including different servers) which are centrally located and managed without the user being required to provide a different set of credentials for each server system that is accessed. *See Anderson, Col. 4, ln. 15-16, 36-37 and Col. 2, ln. 55-58*. Examiner has provided no reasoning why one would be motivated to combine a system or method for allowing users access to a plurality of potentially different servers without requiring the user to provide credentials for each server in order to enable a system for "generating a communication from the server computer that, when received by the user computer, causes the user computer to determine if the user is an insurance agent." Therefore, Appellant submits that in light of the forgoing reasons, the Examiner has advanced no articulated reasoning providing some rational underpinning to support the legal conclusion that combining Anderson with Lockwood in view of Insurance Services of America and in further view of Volunteers Insurance Service would have been obvious. Appellant further asserts that Examiner has attempted to use Appellant's invention as a template through a hindsight reconstruction of Appellant's claims and that such hindsight reconstruction is improper. *Ex Parte Crawford et al, Appeal 2006-2429 at page 6, Decided May 30, 2007<sup>1</sup>. Evidence Appendix 001.*

Examiner further acknowledges Lockwood in view of Insurance Services of America and in further view of Volunteers Insurance Service and Anderson does not teach a system or method whereby, when the user is determined to an insurance agent the system generates a series of menus, at least one of the menus including a user edit screen enabling the agent to edit, save, and retrieve stored said input information and further input information. *See page 5 of the Final Rejection of 11/28/2008*. Examiner relies on the disclosure of Luchs in Col. 15, ln. 24-62. *See page 5 of the Final Rejection of 11/28/2008*. However, Appellant submits that this reference

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<sup>1</sup> Ex Parte Crawford et al, Appeal 20062429 reproduced as Evidence Appendix 001.

and rejection are rendered moot in light of the above arguments regarding the combination of Lockwood in view of Insurance Services of America and in further view of Volunteers Insurance Service and Anderson.

For at least these reasons, Appellant submits that independent Claims 1, 2, and 3 patentably define the invention over the combination of Lockwood in view of Insurance Services of America and in further view of Volunteers Insurance Service and Anderson and Luchs and are in condition for allowance. Dependent Claims 4-20 depend from one of independent Claims 1, 2, or 3 and add further features to the patentable combinations of features in independent Claims 1, 2 or 3. Accordingly, Appellants submit that Claims 1-6, 8, and 10-20 are patentable over the Examiner's rejection, and the Board should therefore reverse this rejection. Such action is respectfully requested.

**II. Claim 7 is Patentable Because it Depends from Allowable Claim 4 and in the Alternative Over the Combination of Lockwood, Insurance Service of America, Volunteers Insurance Service, Anderson, and Gardner.**

Claim 7 depends from independent Claim 3 and adds the further limitation "changes to said quote information are prohibited after said policy application is requested by checking the status of said policy application on the server." Examiner has cited Claim 4, from which Claim 7 depends, as obvious. *See page 7 of the Final Rejection of 11/28/2008.* Appellant asserts that the Gardner reference adds nothing further to the combination used to reject Claim 4, and thus for the reasons cited above Claim 4 is allowable and as such Claim 7 is now allowable.

The Examiner has further rejected Claim 7 under Lockwood in view of Insurance Services of America in view of Volunteers Insurance Service in further view of Anderson and in further view of Gardner. The Examiner relied upon Col. 11, ln. 66 - Col. 12 ln. 1-11 to support his rejection of Claim 7. This portion of Gardner discloses a "View Information form [that] provides data input fields 314-326 and check boxes 330-334 for the administrator to specify the attributes of the field" within the form as read-only. While Gardner discloses creating a database, such as a form or table, where the administrator of the database can set portions or fields within the database as read-only, Gardner does not teach, suggest, or enable a method "wherein changes to said quote information [used for producing a policy application] are prohibited after said policy application is requested." The method disclosed in Gardner, wherein

attributes of the field within a shared form are marked as read-only, does not enable or suggest to one of ordinary skill the idea, embodied in Appellant's application, of a method by which after a user has entered user input in response to inquiries and the user has subsequently requested a policy application from the server, the user being unable to alter quote information by checking the status of the policy application on the server.

Appellant further asserts the motivation, "to have provided a means whereby a user would be prohibited from making changes to data or information regarding a policy application," cited by the Examiner for combining Gardner with Lockwood in view of Insurance Services of America and in further view of Volunteer's Insurance Services and Anderson is an attempt to use Appellant's invention as a template through a hindsight reconstruction of Appellant's claims. Gardner discloses a system allowing a database administrator to create a shared database, such as form or table, and make portions of the table read-only. Appellant submits that the disclosure of Gardner, teaching a "form [that] provides data input fields 314-326 and check boxes 330-334 for the administrator to specify the attributes of the field" within the form as read-only fails to provide an underpinning by which one of skill would be motivated to combine the teachings of Gardner with those of Lockwood, Insurance Services of America, Volunteers Insurance Service, and Anderson in order to "prohibit [quote information from being changed] after said policy application is requested by checking the status of said policy application on the server." Therefore, Appellant asserts that Examiner's stated motivation is improper hindsight reconstruction. *See, Ex Parte Crawford et al, Appeal 2006-24292429 at page 6, Decided May 30, 2007<sup>2</sup>. Evidence Appendix 001.*

For at least these additional reasons, Appellant submits that Claim 7 is patentable over Lockwood in view of Insurance Services of America and in further view of Volunteer's Insurance Services, Anderson, and Gardner. Accordingly, Appellant asserts that the Examiner's rejection of Claim 7 should be reversed and such action is respectfully requested.

**III. Claim 9 is Patentable Because it Depends from Allowable Claim 3 and in the Alternative Over the Combination of Lockwood, Insurance Service of America, Volunteers Insurance Service, Anderson, and Ballantyne.**

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<sup>2</sup> Ex Parte Crawford et al, Appeal 20062429, reproduced as Evidence Appendix 001.

Claim 9 depends from independent Claim 3 and adds the further limitation of "prior to said collecting step, the step of authenticating a user." Examiner has cited independent Claim 3, from which Claim 9 depends, as obvious. *See page 8 of the Final Rejection of 11/28/2008.* Appellant asserts that the Ballantyne reference adds nothing further to the combination used to reject Claim 3, and thus for the reasons cited above independent Claim 3 is now allowable and as such Claim 9 is now in condition for allowance. Accordingly, Appellant asserts that the Examiner's rejection of Claim 9 should be reversed and such action is respectfully requested.

Examiner has further rejected Claim 9 under Lockwood in view of Insurance Services of America in view of Volunteers Insurance Service in further view of Anderson and in further view of Ballantyne. The Examiner relied upon Col. 8, ln. 52-64 for supporting his rejection of Claim 9. This portion of Ballantyne discloses a process by which authorized users logs into a network and the access time and identity of each user is recorded and the (patient) information that is accessed is documented. Further a standard "exit log-off procedure" is initiated when the authorized user has completed their tasks. While Ballantyne discloses the use of a user ID and password for preventing accessing to a database (containing medical records), it does not teach, suggest, or enable the use of an ID and password for the purpose of identifying a person as a customer or an insurance agent, as is one utility of the authentication process disclosed in the present application. As such, Ballantyne does not teach or suggest the step of "prior to said collecting [quote related input information] step, the step of authenticating a user" as it is defined in the present application.

For at least these additional reasons, Appellant submits that Claim 9 is patentable over Lockwood in view of Insurance Services of America and in further view of Volunteer's Insurance Services and Ballantyne. Accordingly, Appellant asserts that the Examiner's rejection of dependent Claim 9 should be reversed and such action is respectfully requested.

**IV. Claims 1-20 are Not Obvious as the Examiner has not Established a *prima facie* Case that the Disclosures of Insurance Services of America and Volunteers Insurance Service Satisfy the Requirements of Printed Publications as Prior Art.**

The prior Arguments in this Appeal have been set forth under the assumption that the references cited by the Examiner, all necessary to support his rejections, were valid prior art references. In this Section, Applicant addresses the validity of Examiner's reliance on the

Insurance Services of America and Volunteers Insurance Service references, relied on by the Examiner to support his rejection of Claims 1-20. Applicant contends that in addition to the arguments set forth regarding the merits of the Examiner's rejection of Claims 1-20, the Examiner has relied on references not satisfying the Examiner's prima facie burden of predating the present Application's critical date, and references which do not satisfy the requirements of a printed publication under 35 U.S.C. § 102.

Examiner has rejected Claims 1-6, 8, and 10-20 under 35 U.S.C. §103(a) as unpatentable over Lockwood in view of Insurance Services of America in further view of Volunteers Insurance Service in further view of Anderson and in even further view of Luchs. ***See page 2 of Final Rejection of 11/ 28/ 2008.*** Examiner recognizes the combination of Lockwood, Anderson, and Luchs does not teach, suggest, or enable "including information regarding activities including at least one of camps, schooling, daycare, counseling programs, and foreign operations," which Examiner suggests is taught by Insurance Services of America. ***See page 4 of Final Rejection of 11/28/2008.*** Examiner recognizes the combination of Lockwood, Anderson, and Luchs does not teach, suggest, or enable "including information about volunteers participating in the activities," which Examiner suggests is taught by Volunteers Insurance Service. ***Id.*** Therefore, Examiner does not contend that Appellant's claimed invention is anticipated or obvious in light of the references of Lockwood, Anderson, and Luchs.

Examiner has rejected Claim 7 under 35 U.S.C. §103(a) as unpatentable over Lockwood in view of Insurance Services of America in further view of Volunteers Insurance Service in further view of Anderson as applied to Claim 4, and in further view of Gardner. ***See pages 7-8 of Final Rejection of 11/28/2008.*** Examiner recognizes the combination of Lockwood, Anderson, and Gardner does not teach, suggest, or enable "including information regarding activities including at least one of camps, schooling, daycare, counseling programs, and foreign operations," which Examiner suggests is taught by Insurance Services of America, and does not teach, suggest, or enable "including information about volunteers participating in the activities," which Examiner suggests is taught by Volunteers Insurance Service. ***See page 4 of Final Rejection of 11/28/2008.***

Examiner has rejected Claim 9 under 35 U.S.C. §103(a) as unpatentable over Lockwood in view of Insurance Services of America in further view of Volunteers Insurance Service in further view of Anderson as applied to Claim 3, and in further view of Ballantyne. ***See page 8 of***

***Final Rejection of 11/28/2008.*** Examiner recognizes the combination of Lockwood, Anderson, and Ballantyne does not teach, suggest, or enable "including information regarding activities including at least one of camps, schooling, daycare, counseling programs, and foreign operations," which Examiner suggests is taught by Insurance Services of America, and does not teach, suggest, or enable "including information about volunteers participating in the activities," which Examiner suggests is taught by Volunteers Insurance Service. ***See page 4 of Final Rejection of 11/28/2008.***

Appellant submits that in view of the reasons set forth in this Section, Examiner's reliance on the Insurance Services of America and Volunteers Insurance Service references as prior art is improper and as such Examiner's rejection should be reversed.

**A. The publication dates of the Insurance Service of America and Volunteers Insurance Service references have not been authenticated to predate Appellant's Application Date.**

The Examiner relies on web page advertisements of Insurance Service of America and Volunteers Insurance Service, discovered on Internet Archive's WayBack Machine, as supporting a 35 U.S.C. § 103(a) rejection for Claims 1-20. The Examiner cites the Insurance Service of America web page as teaching the following limitation found in independent Claims 1, 2, and 3 "including information regarding activities including at least one of camps, schooling, daycare, counseling programs, and foreign mission operations." ***See page 4 of Final Rejection of 11/28/2008.*** The Examiner cites the Volunteers Insurance Service web page as teaching the following limitation found in independent Claims 1, 2, and 3 "including information about volunteers participating in the activities." ***See page 4 of Final Rejection of 11/28/2008.*** Appellant contends that Examiner's reliance on the unauthenticated web advertisements of Insurance Service of America and Volunteers Insurance Service as printed publications is impermissible.

Appellant submits that documents adduced from the WayBack Machine, without more, are not permissible references for citing as "printed publications" under 35 U.S.C. §103(a). Appellant asserts that the web advertisements offered by Examiner have not been authenticated and as such the web advertisements offered by Examiner as supporting a 35 U.S.C. §103(a) rejection, do not offer sufficient indication of the dates specific documents were posted on the Internet, available on the Internet, and the content that was contained within the documents on the given dates. Appellant points to MPEP §2128, the position adopted by the Trademark Trial

and Appeal Board and other federal courts regarding WayBack Machine printouts offered as evidence in judicial proceedings, and the position adopted by Internet Archive (the creators and managers of the WayBack Machine) as supporting Appellant's position that web postings retrieved from the WayBack Machine, without authentication or verification of the date of posting and the content, are not available as prior art for examination of a patent application.

**i. Examiner's reliance on unauthenticated documents derived from the WayBack Machine is impermissible under MPEP 2128 as Examiner has not produced sufficient proof that either document was disseminated or otherwise available and accessible.**

Appellant submits that the Examiner has not met his prima facie burden of demonstrating that the web page advertisements of Insurance Service of America and Volunteers Insurance Service, discovered on the WayBack machine, meet the "printed publication" requirements of MPEP 2128. MPEP 2128 states in relevant part,

"[a]n electronic publication...is considered to be a 'printed publication' within the meaning of 35 U.S.C. 102(a) and (b) provided the publication was accessible to persons concerned with the art to which the document relates. See *In re Weyer*, 210 USPQ 790, 795 (CCPA 1981). (Accordingly...*the one who wishes to characterize the information...as a 'printed publication' \*\*\*should produce sufficient proof* of its dissemination or that it has otherwise been available and accessible to persons concerned with the art to which the document relates...)." (emphasis added).

Because web advertisements found on the WayBack machine are unauthenticated in terms of providing verification of the actual page posted with the actual content posted on Internet at the recorded time, reliance on a WayBack Machine posting, without more, does not meet the "sufficient proof" needed to qualify as a "printed publication in accord with MPEP 2128. **See WayBack Machine Frequently Asked Questions, pg. 4, "Does the Internet Archive's affidavit mean that the printout was actually the page posted on the Web at the recorded time?" available at, <http://www.archive.org/legal/faq.php>. Evidence Appendix 002<sup>3</sup>.**

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<sup>3</sup> Examiner's reliance on the web page advertisements of Insurance Service of America and Volunteers Insurance Service, discovered on the WayBack Machine, relies on the Internet Archive website, pages from which are attached hereto as Evidence Appendix 002.



In order to rely on an electronic publication as a "printed publication," the Examiner carries the burden to "produce sufficient proof" that specific content contained in the web advertisements of Insurance Service of America and Volunteers Insurance Service were available on a specific date. In the present case, Appellant points out that neither the Insurance Service of America of the Volunteers Insurance Service web advertisements contain dates indicating the date of posting, and Examiner's reliance on the date indicated in the URL line is unauthenticated information of which the Examiner has failed to produce any evidence to support such a date. The Examiner has relied on unauthenticated printouts of web advertisements found on the WayBack Machine, and has not demonstrated with any form of proof that the content of the web advertisements were disseminated or otherwise available and accessible to persons prior to Appellant's critical date. For at least the foregoing reasons, Appellant submits that the Examiner's reliance on the unauthenticated WayBack Machine web advertisements fails to meet the Examiner's prima facie burden of supplying "sufficient proof" that the web pages, with the specific content were posted prior to Appellant's critical date. For at least these reasons Appellant asserts that the web advertisements of Insurance Service of America and the Volunteers Insurance Service are not proper "printed publications" for Examiner's 35 U.S.C. 103(a) rejection and as such Examiner's rejection of Claims 1-20 relying on The Insurance Service of America and the Volunteers Insurance Services references should be reversed.

**ii. Examiner's reliance on unauthenticated printouts from the WayBack Machine is in contraposition to the approaches adopted by the Trademark Trial and Appeal Board and other federal courts regarding WayBack Machine printouts offered as evidence.**

In *Raccioppi v. Apogee, Inc.*, 47 USPQ2d 1368 (TTAB 1998) the Trademark Trial and Appeal Board ("TTAB") recognized "internet printouts which are not the electronic equivalents of printed publications" are "not self-authenticating" references. ***Raccioppi* at 1370**. In 2007, the authentication concerns regarding internet printouts, expressed in *Raccioppi*, were questioned in view of the technological advances since *Raccioppi*, specifically citing the Internet Archives WayBack Machine. ***Paris Glove of Canada Ltd. v. SBC/Sporto Corp.*, 84 USPQ2d 1856 at 1858 (TTAB 2007)**. The TTAB, in *Paris Glove*, responded to the argument that the Internet Archives WayBack Machine makes the authentication concerns in *Raccioppi* obsolete, by

concluding, "the database [the WayBack Machine] is not self-authenticating and there is no reason to treat its existence as authenticating the pages in its historical record." *Id.*

In addition to the TTAB's rejection of WayBack Machine printouts as evidence, Federal courts consistently reject printouts from the WayBack Machine offered as evidence, citing hearsay and authentication concerns. See, e.g., *Novak v. Tucows Inc.*, 2007 WL 922306 (E.D.N.Y. March 26, 2007) at page 5,<sup>4</sup> *Evidence Appendix 003* (holding the printouts from the WayBack Machine were not admissible and even the declaration offered to authenticate the printouts was insufficient); *Chamilia LLC v. Pandora Jewelry LLC*, 2007 WL 2781246 (S.D.N.Y. Sept. 24, 2007) at page 6,<sup>5</sup> *Evidence Appendix 004* (holding that "a series of archived web pages from...the 'Wayback Machine'...suffers from fatal problems of authentication under Fed. R. Evid. 901); and *St. Luke's Cataract & Laser Inst. P.A. v. Sanderson*, 2006 WL 1320242 (M.D. Fla. May 12, 2006) at page 1<sup>6</sup>. *Evidence Appendix 005*. Appellant submits that the Examiner has relied on printouts from the WayBack Machine, which are unauthenticated as providing what was posted and when, and such reliance cannot be sustained—to hold otherwise would stand in opposition to the reasoned rulings of Federal courts and this Board's companion tribunal the TTAB. Therefore, Appellant respectfully submits that the printouts cited by the Examiner on the WayBack Machine do not satisfy the "printed publication" requirements for citing as prior art in a 35 U.S.C. §103(a).

**iii. Examiner's reliance on unauthenticated printouts from the WayBack Machine as providing sufficient proof required for qualifying as prior art for a 103(a) rejection is not supported by the position of Internet Archives (creators and managers of the WayBack Machine).**

Internet Archives maintains the position that "[t]he WayBack Machine tool was not designed for legal use." See *WayBack Machine FAQs for Lawyers*, pg. 6, "How can I get pages authenticated from the WayBack Machine? How can I use the pages in court?"

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<sup>4</sup> *Novak v. Tucows Inc.*, 2007 WL 922306 (E.D.N.Y. March 26, 2007), reproduced as Evidence Appendix 003.

<sup>5</sup> *Chamilia LLC v. Pandora Jewelry LLC*, 2007 WL 2781246 (S.D.N.Y. Sept. 24, 2007), reproduced as Evidence Appendix 004.

<sup>6</sup> *St. Luke's Cataract & Laser Inst. P.A. v. Sanderson*, 2006 WL 1320242 (M.D. Fla. May 12, 2006), reproduced as Evidence Appendix 005.

*available at, <http://www.archive.org/legal/faq.php>. Evidence Appendix 006*<sup>7</sup>. Further, Internet Archive points out that they are not the publishers of the original content and can not authenticate its contents at a specified date, stating their affidavit "only affirms that the printed document is a true and correct copy of [Internet Archives'] records." **See WayBack Machine Frequently Asked Questions, pg. 4, "Does the Internet Archive's affidavit mean that the printout was actually the page posted on the Web at the recorded time?" available at, <http://www.archive.org/legal/faq.php>. Evidence Appendix 002.**

As noted by the court in *Novak v. Tucows Inc.*, No. 06-CV-1909, 2007 U.S. Dist. Lexis 21269 (E.D.N.Y. March 26, 2007) in finding WayBack Machine printouts inadmissible evidence and finding the Internet Archives affidavit insufficient proof of what existed at a specified time, the court found webpages archived within the WayBack Machine are based upon "data from third parties who compile the data by using software programs known as crawlers." Thus, Internet Archive cannot and does not ensure that the material posted in the WayBack Machine accurately represents content that was posted at a relevant date.

In part because of the inherent problem of authentication content from which the WayBack Machine suffers, Internet Archive takes the position of a disinterested third party in any legal dispute using WayBack Machine documents to make a case. Internet Archive states, they do not authenticate that a "printout was actually the page posted on the Web at the recorded time," but it remains the one asserting a WayBack Machine printout as having actually been available at the specific time. **See WayBack Machine Frequently Asked Questions, pg. 4, "Does the Internet Archive's affidavit mean that the printout was actually the page posted on the Web at the recorded time?" available at, <http://www.archive.org/legal/faq.php>. Evidence Appendix 002.**

In light of the position taken by the creators and managers of the WayBack Machine, Appellant submits that Examiners reliance on the unauthenticated WayBack Machine printouts does not demonstrate content "posted [and available] on the Web at the recorded time." Therefore, Appellant contends Examiner may not simply rely on unauthenticated WayBack Machine printouts as providing sufficient proof, to meet his prime facie burden of demonstrating

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<sup>7</sup> Examiner's reliance on the web page advertisements of Insurance Service of America and Volunteers Insurance Service, discovered on the WayBack Machine, relies on the Internet Archive website, pages from which are attached hereto as Evidence Appendix 006.

content he asserts as prior art was available on the web, and accessible at the given time. As such, Appellant asserts Examiner's reliance on both the Insurance Service of America and Volunteers Insurance Service web advertisements is improper and Appellant respectfully requests withdrawal of these references. Therefore, Appellant submits that Examiner's rejection of Claims 1-20 should be reversed and respectfully requests such action.

**B. The Examiner has failed to establish that the Insurance Service of America and Volunteers Insurance Service references were indexed or catalogued in a meaningfully way to be sufficiently accessible to the interested public and considered a printed publication under 35 U.S.C. § 102(b).**

An electronic publication, such as an on-line database or Internet publication, "is considered to be a 'printed publication' within the meaning of 35 U.S.C. §102(a) and (b) *provided the publication was accessible* to persons concerned with the art to which the document relates." **MPEP 2128 quoting *In re Wyer*, 210 USPQ 790, 795 (CCPA 1981) (emphasis added).** The Federal Circuit considers public accessibility to be "touchstone" in determining whether a reference raises a "printed publication" bar under 102(a) or (b). ***SRI International Inc. v. Internet Security Systems Inc.*, 85 USPQ2d 1489 (Fed. Cir. 2008); *Norian Corp. v. Stryker Corp.*, 70 USPQ2d 1508 (Fed. Cir. 2004); *In re Hall*, 228 USPQ 453 (Fed. Cir. 1986).**

In *SRI International Inc.*, the Federal Circuit sitting en banc, recently addressed whether a document, posted on an internet FTP server met the "public accessibility" requirement to qualify as a printed publication. [An FTP server is "software [which] implements a set of conventions for copying files from a host computer [or server]." Michael D. Scott, INTERNET AND TECHNOLOGY LAW DESK REFERENCE 8TH, Aspen Publishers (2007)). Ultimately the court held that the reference, posted on the internet, would not qualify as a printed publication if it was not shown to have been cataloged or indexed in a meaningful way such that "an anonymous user skilled in the art [prior to the critical date]...would not have found the reference without...precise directions" or specific knowledge. ***SRI International Inc.*, 85 USPQ2d at 1497.** The Federal Circuit determined that the reference posted on the open internet server, without some "roadmap that would have allowed one skilled in the art to locate" it, was analogous to placing the reference "at an unpublicized conference with no attendees...[and] like [references] at a vacant and unpublicized conference, was available by being 'posted,' but available only to a person who

may have wandered into the conference by happenstance or knew about the conference via unpublicized means." **Id. at 1496-1497.**

In deciding *SRI International Inc.*, the Federal Circuit weighed "public accessibility factors" of the document posted on the open internet FTP server and compared the "factors" regarding this posting against the facts presented in *Application of Bayer*, 19 USPQ2d 670 (C.C.P.A. 1978)(where a graduate thesis that was not catalogued was not considered publicly accessible) and *In re Klopfenstein*, 72 USPQ2d 1117 (Fed. Cir. 2004)(posters hung at a conference for the interested public were publicly accessible). **Id. at 1497.** The court first noted that the internet posting at issue fell "somewhere between Bayer and Klopfenstein." **Id. at 1496.** Reasoning that the reference posted on the SRI International Inc. FTP server "might have been available to anyone," the court ultimately concluded that from the record no information was presented demonstrating that the reference was "publicized or placed in front of the interested public." **Id. at 1497.** Further, because it had not been demonstrated that the server hosting the reference contained "an index or catalogue or other tools for customary and meaningful research" in order for person of ordinary skill to find the reference without precise directions, the court reasoned the reference at issue was more like the reference in *Bayer*. **Id.** The court ultimately concluded that unlike the reference in *In re Klopfenstein*, there was no indication that this posting on the FTP server provided a "roadmap that would have allowed one skilled in the art to locate the [reference]" and thus it was not publicly accessible. **Id. at 1496 quoting Bruckelmyer v. Ground Heaters, Inc., 78 USPQ2d 1684 (Fed. Cir. 2006).**

Appellant's present application has been rejected by Examiner, relying on two web advertisements (Insurance Service of America and Volunteers Insurance Service) procured from searches on the WayBack Machine performed well after the critical date. **See page 2 of Final Rejection of 11/ 28/2008.** The Examiner's production of the WayBack Machine printouts provides no "public accessibility factors" which would indicate that these printouts qualify as printed publications for 35 U.S.C. §102 and §103 rejections. Appellant submits that offering WayBack Machine printouts does not demonstrate any, let alone "sufficient proof," that the cited references were indexed or catalogued on the Internet, prior to the critical date, in a way which a person of ordinary skill could have found this information without precise directions. **See MPEP 2128 quoting In re Wyer, 210 USPQ 790, 795 (CCPA 1981); see also SRI International Inc., 85 USPQ2d at 1497.**

Appellant further points out that printout, derived from the WayBack Machine, provides no indication of the manner or nature in which the web page could have been accessed, cataloged, or indexed prior to the critical date. As such, printouts of web pages adduced from the WayBack Machine, as evidence of the existence of a publicly accessible reference from a given date, provide no indication that a person of ordinary skill could navigate the Internet through "customary and meaningful research" and find the reference at the purported date of the web page. **SRI International Inc., 85 USPQ2d at 1497.** Appellant's contention that printouts, cited as references, derived from the WayBack Machine provide no indicia of "public accessibility" is further supported by Internet Archive (creators and managers of the WayBack Machine) which asserts they do not authenticate that a "printout was actually the page posted on the Web at the recorded time...[and] it remains [the party's using the document] burden to [prove] what pages were up when." *See WayBack Machine Frequently Asked Questions, pg. 4, "Does the Internet Archive's affidavit mean that the printout was actually the page posted on the Web at the recorded time?" available at, <http://www.archive.org/legal/faq.php>.* *Evidence Appendix 002.*

For at least these reasons, Appellant submits that Examiner's reliance on the WayBack Machine printouts, fails to meet the "public accessibility" requirement for citing a web advertisement printout as a printed publication within the meaning of 35 U.S.C. §102 and §103. As such, Appellant asserts Examiners reliance on both the Insurance Service of America and Volunteers Insurance Service web advertisements is improper. As such, Appellant respectfully submits that these references do not meet the legal requirements for prior art and therefore submits that the Examiner has failed to meet his burden of providing a prima facie case for his rejections of Claims 1-20 and therefore such rejections must be reversed. Such action is respectfully requested.

(8)

### **CONCLUSION**

In view of the foregoing, Appellant respectfully submits that the Examiner has failed to demonstrate that Appellant's application is obvious in light in the cited references. Further, Appellant respectfully submits that the Examiner has failed to "produce sufficient proof" that the Insurance Service of America and Volunteers Insurance Service references are proper § 102 references to qualify as prior art to support a rejection of Appellant's claims for obviousness

under § 103(a). Therefore, each of the Examiner's rejections for Claims 1-20, under § 103(a), should be reversed.

In view of the foregoing, Appellant further submits that the claims of the application are in condition for allowance and such favorable action is respectfully requested pending the reversal of the outstanding rejections. In the event any extension of time or payment of fee is required, Appellant hereby conditionally petitions therefore and authorizes any charges to be made to Deposit Account 02-0390 BAKER & DANIELS.

Respectfully submitted,

/Kevin R Erdman/

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1. A computer network system for generating insurance quotes, rates, and applications, including for ministry-specific coverages, for ministries and religious institutions upon input of information related to such ministries and religious institutions by a user, said computer network system comprising:

a user computer with a graphic user interface adapted to display an inquiry and receive input information from a user;

a server computer in network communication with said user computer, said server computer including memory and a plurality of instructions, a first portion of said plurality of instructions enabling said server computer to generate an initial inquiry and send said initial inquiry to said user computer for interaction with the user, with said initial inquiry relating to specifics of a potential ministry or religious institution insurance policy including information regarding activities including at least one of camps, schooling, daycare, counseling programs, and foreign mission operations, a second portion of said plurality of instructions enabling said server computer to receive said input information from said user and to generate an additional inquiry including information about volunteers participating in said activities and send said additional inquiry to said user computer for interaction with the user, with said additional inquiry being based at least in part on said input information, a third portion of said plurality of instructions enabling said server computer to receive further input information from said user computer and calculate at least one of a quote and a rate for a ministry or religious institution insurance policy, including ministry-specific coverages, based on said input information and said further input information, a fourth portion of said plurality of instructions enabling said server computer to issue a policy for one of ministries and religious institutions containing ministry-specific coverages and premium billing information based on said input information and said further input information; and a fifth portion of said plurality of instructions enabling said server computer to generate a communication from the server computer that, when received by the user computer, causes the user computer to determine if the user is an insurance agent, and when the user is determined to be an insurance agent then generates a series of menus, at least one of the menus including a user edit screen enabling the agent to edit, save, and retrieve stored said input information and said further input information.



2. In a computer, a method of generating ministry or religious institution insurance quotes and rates, including for ministry-specific coverages, upon input of ministry or religious institution related information by a user on a user computer connected to a server computer over a network, said method comprising the steps of:

generating a communication from the server computer that, when received by the user computer, causes the user computer to determine if the user is an insurance agent;

generating an initial inquiry on the server computer and sending the initial inquiry to the user computer to be displayed for interaction with a user, with the initial inquiry relating to specifics of a potential ministry or religious institution insurance policy that includes ministry-specific coverages including information regarding activities including at least one of camps, schooling, daycare, counseling programs, and foreign mission operations;

receiving the input information from the user, generating an additional inquiry including information about volunteers participating in said activities, and sending the additional inquiry to the user computer for interaction with the user, with the additional inquiry being based at least in part on the input information, and when the user is determined to be an insurance agent generating a series of menus, at least one of the menus including a user edit screen enabling the agent to edit, save, and retrieve stored input information;

receiving further input information from the user computer in response to the additional inquiry and calculating at least one of a quote and a rate for a ministry or religious institution insurance policy containing ministry-specific coverages based on the input information and the further input information; and

issuing said policy for one of ministries and religious institutions containing ministry-specific coverages and related billing information based on said input information and said further input information.

3. A machine-readable program storage device for storing encoded instructions for a method of quoting, rating, and saving quote information for insurance transactions that include ministry-specific coverages through a web based interface, said method comprising the steps of:

generating a communication from a server that, when received by a user computer, causes the user computer to determine if a user is an insurance agent;

collecting quote related input information including information regarding activities including at least one of camps, schooling, daycare, counseling programs, and foreign mission operations on a user computer and sending said quote information to said server;

receiving and storing said quote information on said server, and when the user is determined to be an insurance agent generating a series of menus, at least one of the menus including a user edit screen enabling the agent to edit, save, and retrieve stored input information;

invoking a rate calculator on said server and calculating rates based on said quote information;

storing said calculated rates with said quote information on said server; and

generating a communication to cause displaying of a quote document for one of ministries and religious institutions on the user computer based on said quote information and said calculated rates.

4. The machine-readable program storage device of claim 3 with the method further comprising:

requesting a policy application on said user computer and sending said application request to said server;

compiling policy application data based on said quote information and said calculated rates; and

printing said policy application from said policy application data on said user computer.

5. The machine-readable program storage device of claim 3 wherein said quote document is displayed and a hardcopy is printed on the server.

6. The machine-readable program storage device of claim 4 wherein a hardcopy of said policy application is printed on said server.

7. The machine-readable program storage device of claim 4 wherein changes to said quote information are prohibited after said policy application is requested by checking the status of said policy application on the server.

8. The machine-readable program storage device of claim 4 with the method further including, prior to said requesting step, the step of creating a proposal, said proposal containing references or links to detailed coverage information.

9. The machine-readable program storage device of claim 3 with the method further including, prior to said collecting step, the step of authenticating a user.

10. The machine-readable program storage device of claim 3 with the method further including, after said invoking step, the step of storing said policy application data on said server.

11. The machine-readable program storage device of claim 10 with the method further including the step of issuing said policy and billing information on said server.

12. The machine-readable program storage device of claim 11 wherein said policy and billing information is issued without human evaluation when said quote information is within a set of pre-determined parameters.

13. The method of claim 2, wherein if the user is determined to be an insurance agent, then the user is presented with an account list of the user.

14. The method of claim 13, wherein the account list permits access to insurance information for at least one individual who is not the user.

15. The method of claim 13, wherein an agent user is permitted to create a new quote related to a second individual by accessing data relating to a first individual.

16. The machine-readable program storage device of claim 3, wherein if the user is determined to be an insurance agent, then the user is presented with information relating to at least one client of the user.

17. The machine-readable program storage device of claim 16, wherein the information relating to at least one client of the user includes insurance information for a first individual and insurance information for a second individual.

18. The machine-readable program storage device of claim 3, wherein if the user is determined to be an insurance agent, then the user is permitted to edit information pertaining to an individual who is not the user.

19. The machine-readable program storage device of claim 3 further including, prior to said collecting step, the step of authenticating the user.

20. The machine-readable program storage device of claim 3, wherein an agent user is permitted to select an existing quote, edit data within the selected quote, and save the edited quote as a new quote.

(10)

**EVIDENCE APPENDIX**

Attachment: ***Evidence Appendix 001***

***Evidence Appendix 002***

***Evidence Appendix 003***

***Evidence Appendix 004***

***Evidence Appendix 005***

***Evidence Appendix 006***

(11)

**RELATED PROCEEDINGS APPENDIX**

NONE

**Westlaw Delivery Summary Report for SUMMASSOCIATE,ON**

Your Search:	"Ex Parte Crawford" May 30, 2007
Date/Time of Request:	Tuesday, June 2, 2009 12:46 Central
Client Identifier:	88065.2
Database:	FIP-BPAI
Citation Text:	2007 WL 1574126
Lines:	301
Documents:	1
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2007 WL 1574126 (Bd.Pat.App. &amp; Interf.)

## THIS OPINION WAS NOT WRITTEN FOR PUBLICATION

Board of Patent Appeals and Interferences  
Patent and Trademark Office (P.T.O.)

## EX

PARTE  
STEPHEN P.  
CRAWFORD, STEPHANIE EVANICK, BRYAN SEYFRIED, MARK DILWORTH, PETER STOCKMAN, AND MICHAEL R. SUT-  
CLIFFAPPEAL 2006-2429  
Application 09/999,580  
[FN1]

Technology Center 3600

Decided: May

30

2007

Before: MURRIEL E. CRAWFORD, STUART S. LEVY, and ANTON W. FETTING  
Administrative Patent Judges  
LEVY  
Administrative Patent Judge

## DECISION ON APPEAL

## STATEMENT OF CASE

Appellants appeal under 35 U.S.C. § 134 (2002) from a final rejection of claims 1 to 23<sup>[FN2]</sup>. We have jurisdiction under 35 U.S.C. § 6(b) (2002).

Appellants invented a method for providing a financial evaluation of at least one financial instrument or entity. (Specification 1).

Claim 1 is representative of the invention and reads as follows:

1. A method for providing a financial evaluation of at least one financial instrument, the method comprising:



inputting counterparty credit quality data associated with a transaction of the financial instrument between a party and a counterparty to a data processing system;

inputting debt market data associated with the transaction to the data processing system; and

determining, by the data processing system, a dynamic credit limit for the counterparty based on at least one of the inputted counterparty credit quality and the inputted debt market data, the dynamic credit limit defined in terms of a credit exposure versus time.

The Examiner rejected claims 10-23 under 35 U.S.C. § 112 (second paragraph) as being indefinite.

The Examiner rejected claims 1-5 and 9 under 35 U.S.C. § 103(a) as being unpatentable over Basch in view of Tull.<sup>[P83]</sup>

The Examiner rejected claims 6-8 under 35 U.S.C. § 103(a) as being unpatentable over Basch in view of Tull and Wallman.

The prior art relied upon by the Examiner in rejecting the claims on appeal is:

Tull	US 5,946,667	Aug. 31, 1999
Basch	US 6,119,103	Sep. 12, 2000
Wallman	US 6,360,210 B1	Mar. 19, 2002

With regard to the rejection of claims 10-23 under 35 U.S.C. § 112 (second paragraph) the Examiner contends that it is unclear what is meant by the term "credit cost C," how the term is measured, and how "maximum risk exposure (M)" is measured. Appellants contend (Br. 10-12 and Reply Br. 3-5) that the ordinary meaning of "credit cost C" is emphasized in Appellants' Specification; that the Specification provides examples of how to derive a "credit cost C," and that "maximum risk exposure M" could be calculated based upon a number of criteria described in the Specification.

**\*2** With regard to the rejection of claims 1-5 and 9 under 35 U.S.C. § 103(a) as being unpatentable over Basch in view of Tull, the Examiner contends that Basch does not explicitly teach the step of inputting debt market data associated with a transaction to a data processing system. To overcome this deficiency of Basch, the Examiner turns to Tull for a teaching of inputting debt market data associated with a transaction to a data processing system. (Answer 4). The Examiner asserts that because Tull and Basch are concerned with the problem of evaluating risk and minimizing risk, that it would have been obvious "to include the disclosure of Tull to the invention of Basch." Appellants contend that Basch fails to disclose "inputting debt market data associated with the transaction to the data processing system," and that Tull does not disclose inputting debt market data associated with a transaction of the financial instrument. (Br. 14). Appellants further contend that "[t]he Examiner appears to have confused the separate issues of analogous art and whether the references can be combined to reject the claims under 35 U.S.C. § 103." (Reply Br. 5).

With regard to the rejection of claims 6-8 under 35 U.S.C. § 103(a) as being unpatentable over Basch in view of Tull and Wallman, the Examiner relies upon Wallman for a suggestion of hedging to reduce risk exposure. (Answer 6). Appellants contend that Wallman does not make up for the deficiencies of Basch and Tull, and that there is no suggestion to use hedging of investments in Basch. (Br. 21).

We reverse.

#### ISSUE

With respect to the rejection of claims 10-23 under 35 U.S.C. § 112 (second paragraph) as being indefinite, the issue is whether

the metes and bounds of the claims would have been clear to an artisan, in light of Appellants' disclosure.

With respect to the rejection of claims 1-5 and 9 under 35 U.S.C. § 103(a) as being unpatentable over Basch in view of Tull, the issue is whether the combined teachings and suggestions of Basch and Tull would have suggested the limitations of the claims. In particular, the issue turns on whether Tull would have suggested inputting debt market data associated with the transaction to the data processing system of Basch.

With respect to the rejection of claims 6-8 under 35 U.S.C. § 103(a) as being unpatentable over Basch in view of Tull and Wallman, the issue turns on whether Wallman makes up for the deficiencies of Basch and Tull.

#### FINDINGS OF FACT

We find that the following enumerated findings are supported by at least a preponderance of the evidence. *Ethicon, Inc. v. Quigg*, 849 F.2d 1422, 1427, 7 USPQ2d 1152, 1156 (Fed. Cir. 1988) (explaining the general evidentiary standard for proceedings before the Office).

\*3 1. Appellant invented a method of dynamic credit management, and in particular, a method of financial evaluation of at least one financial instrument or entity. (Specification 1). Credit cost C is the credit cost of the party. (Specification 15). Credit cost C may be based on market data, counterparty credit quality data, or both. (Specification 16). Maximum exposure risk M may be defined in terms of potential financial loss (e.g., a default on one or more debt instruments) of the counterparty that the party is willing to bear. (Specification 16).

2. "[T]he present invention relates to improved methods and apparatus for a transaction-based risk prediction system that advantageously assess the financial risk level associated with an account and/or an account holder based on the account holder's transaction pattern and/or transactions pertaining to that account holder across multiple accounts and/or account issuers." (Basch, col. 1, ll. 14-21).

3. "To facilitate the management of accounts, account issuers may employ scores developed by credit bureaus. These scores may, for example, be utilized to assist in some aspects of account management, e.g., in the account issuer's decision to increase or decrease the current limit." (Basch, col. 1, ll. 63-66).

4. "The invention relates, in one embodiment, to a computer-implemented method for predicting financial risk, which includes receiving transaction data pertaining to a plurality of transactions for a financial account, the transaction data including one of a transaction type and a transaction amount for each of the plurality of transactions. The method further includes scoring the transaction data, including a transaction pattern ascertained from the transaction data, based on a preexisting model to form a score for the financial account. The method further includes transmitting, if the score is below a predefined financial risk threshold, the score to an account issuer of the financial account." (Basch, col. 3, ll. 61-62).

5. "Examples of scoreable transactions include, for example, authorization requests for purchases of goods or services made on credit, clearing and settlement transactions between merchants and account issuers pertaining to one or more accounts, account issuer-supplied account records, public records, and the like." (Basch, col. 5, ll. 11-16).

6. "[T]he scoreable transactions are scored against predictive model(s) within FRPS 100 to generate financial risk scores and/or financial risk alerts for the account issuers." (Basch, col. 6, ll. 59-61).

7. "[F]inancial risk scores and/or financial risk alerts may be provided to one or more account issuers 102 to provide financial risk alerts pertaining to a particular account and/or account holder." (Basch, col. 9, ll. 53-56).

8. "To train the neural network of FIG. 8, for example, patterns from known data sets with known results (i.e., historical scoreable transactions, the associated account, and the known risk level) are iteratively furnished to the neural net of FIG. 8." (Basch, col. 18, ll. 4-8).

\*4 9. "The present invention relates to a data processing system and method for managing financial debt instruments designed for investors whose objective is to track the performance of certain security markets within a limited period of time." (Tull, col. 1, ll. 8-11).

10. "It is an object of the present invention to provide a financial management system to develop and administer a financial debt instrument traded as a listed security to investors desiring to track the performance of a domestic or foreign capital market." (Tull, col. 3, ll. 16-20).

11. "It is a further object of the present invention to provide data processing means for determining a price for a basket of shares which is packaged as a debt instrument so as to reflect the current aggregate value of the shares and accrued income

and expenses associated with all shares in the basket.” (Tull, col. 3, ll. 30-34).

12. “It is yet another object of the present invention to provide a computer system for maintaining financial debt instruments that represent positions in one or more capital markets and which generates reports on the return of each financial debt instrument to the investors.” (Tull, col. 3, ll. 42-46).

13. “The debt instrument is sold as an Optimal Portfolio Listed Security (“OPALS”) which may provide in many jurisdictions tax and other advantages to the investors. The data processing system of the management system of the present invention provides continuous monitoring of the price of the OPALS and reports this price to customers over a communication network.” (Tull, col. 3, ll. 55-62).

14. “The debt instruments are issued in different series which track the performance of domestic or foreign capital markets over different predetermined periods of time.” (Tull, col. 4, ll. 10-13).

15. “During the life of the security, the pricing of each OPALS is monitored and analyzed. Based on the analysis, if necessary, an OPALS is then rebalanced to account for differences between the performance of the constituent shares and that of the associated capital market index.” (Tull, col. 4, ll. 34-39).

16. “Modeling system 3 selects an optimized basket of shares which is representative of a particular capital market... predicts the future correlation of the selected stocks in the basket with the index of the market to ensure that they will track the market index closely.” (Tull, col. 6, ll. 4-5 and ll. 11-13).

17. “Based on the information from the modeling system 3, financial management structure 8 creates one or more financial debt instruments 10 which are designed to be traded as Optimized Portfolio Listed Securities (“OPALS”).” (Tull, col. 6, ll. 14-18).

18. “A computer-based system is disclosed for reducing risk, including market risk, for a given portfolio, by examining the expected risk, pricing it, and transferring some or all of it.” (Wallman, Abstract).

\*5 19. “[A] vast number of products, services and techniques have been developed in attempts to reduce (as opposed to avoid) market risk. An example of such a product, service and technique is hedging—such as buying put options on an index.” (Wallman, col. 3, ll. 31-36).

20. “The user enters information about the user’s portfolio—such as a list of equities, with dollar amounts, shares owned or the percentage of each issue as part of the entire portfolio—so that the computer-based system is provided the input of what the user wishes to have limited for downside risk (“shielded or protected”).” (Wallman, col. 9, ll. 17-23).

21. “The portfolio is then analyzed to determine the price to charge the user.” (Wallman, col. 9, ll. 50-51).

22. “The computer-based system then provides a series of choices to the user[: Full protection ... [p]artial protection ... [and] [e]xcess protection.” (Wallman, col. 10, ll. 15-30).

## PRINCIPLES OF LAW

On appeal, Appellants bear the burden of showing that the Examiner has not established a legally sufficient basis for combining the teachings of the applied prior art. Appellants may sustain this burden by showing that, where the Examiner relies on a combination of disclosures, the Examiner failed to provide sufficient evidence to show that one having ordinary skill in the art would have done what Appellants did. *United States v. Adams*, 383 U.S. 39, 52 148 USPQ 479, 483-84 (1966); *In re Kahn*, 441 F.3d 977, 987-88, 78 USPQ2d 1329, 1336 (Fed. Cir. 2006); *DyStar Textilfarben GmbH & Co. Deutschland KG v. C.H. Patrick, Co.*, 464 F.3d 1356, 1360-61, 80 USPQ2d 1641, 1645 (Fed. Cir. 2006). The mere fact that all the claimed elements or steps appear in the prior art is not per se sufficient to establish that it would have been obvious to combine those elements. *United States v. Adams*, *id.*; *Smith Indus. Med. Sys., Inc. v. Vital Signs, Inc.*, 183 F.3d 1347, 1356, 51 USPQ2d 1415, 1420 (Fed. Cir. 1999). The Supreme Court, in *KSR Int’l v. Teleflex Inc.*, 127 S.Ct. 1727, 82 USPQ2d 1385 (2007) stated that “[t]hroughout this Court’s engagement with the question of obviousness, our cases have set forth an expansive and flexible approach ....” *KSR Int’l* at 1739, 82 USPQ at 1395. The Court emphasized that “the principles laid down in *Graham* reaffirmed the ‘functional approach’ of *Hotchkiss*, 11 How. 248.” *KSR Int’l* at 1738, 82 USPQ2d at 1395 (citing *Graham v. John Deere Co.*, 383 U.S. 1, 12, 148 USPQ 459, 464 (1966) (emphasis added)).

## ANALYSIS

\*6 We begin with the rejection of claims 10-23 under 35 U.S.C. § 112 (second paragraph) as being indefinite. From the description in fact 1 of the terms “credit cost C,” a description of how “credit cost C” is measured, and the description of

"maximum risk exposure M," as well as the description of the claimed equation on page 15 of the Specification, we agree with Appellants that an artisan would have understood the scope and meaning of the terms in these claims. Accordingly, we agree with Appellants that the Examiner erred in rejecting claims 10-23 under 35 U.S.C. § 112 (second paragraph). The rejection of claims 10-23 is not sustained.

Turning to the rejection of claims 1-5 and 9 under 35 U.S.C. § 103(a) as being unpatentable over Basch in view of Tull, we find from facts 2 and 5 that as noted by both the Examiner (Answer 4) and Appellants (Br. 18) that Basch does not describe debt market data, or inputting to the data processing system debt market data associated with a transaction of a financial instrument. Thus, the issue becomes whether Tull makes up for the deficiencies of Basch. From fact 11 we find that in Tull, the reference describes determining a price for a basket of shares which is packaged as a debt instrument to reflect the current aggregate value of the shares. From fact 10 we find that in Tull, the system develops and administers a financial debt instrument traded as a listed security to investors desiring to track the performance of a domestic or foreign capital market.

While both Basch and Tull may have some bearing on risk evaluation and minimization as suggested by the Examiner, neither even hints that how it treats risk evaluation and minimization has any bearing on the other, because the risks taught by each are qualitatively different. Because Tull is creating debt instruments formed from a basket of shares to track the performance of a capital market, and is not inputting the debt instrument as part of a process of determining a dynamic credit score, we find no suggestion to combine the teachings and suggestions of Basch and Tull, as advanced by the Examiner, except from using Appellants' invention as a template through a hindsight reconstruction of Appellants' claims. It follows that we cannot sustain the rejection of claims 1-5 and 9 under 35 U.S.C. § 103(a).

We turn next to the rejection of claims 6-8 under 35 U.S.C. § 103(a) as being unpatentable over Basch in view of Tull and Wallman. Although we agree with the Examiner that Wallman would have suggested hedging excess risk (see facts 19-22), we agree with Appellants (Br. 20-22) that Wallman does not make up for the deficiencies of Basch and Tull. It follows that we cannot sustain the rejection of claims 6-8 under 35 U.S.C. § 103(a).

#### CONCLUSION OF LAW

\*7 On the record before us, Appellants have shown that the Examiner has erred in rejecting claims 10-23 under 35 U.S.C. § 112 (second paragraph) and erred in rejecting claims 1-9 under 35 U.S.C. § 103(a).

#### DECISION

The Examiner's rejection of claims 1-23 is Reversed.

#### REVERSED

ACCENTURE CHICAGO 28164

BRINKS HOFER GILSON & LIONE

P.O. BOX 10395

CHICAGO, IL 60610

FN1. Application filed October 21, 2001. The Real Party in Interest is Accenture L.L.P.

FN2. Claims 24-30 have been withdrawn from consideration as being based upon a non-elected invention. (Br. 3).

FN3. The Examiner notes (Answer 5) that because claims 10-23 are considered to be indefinite, the Examiner is unable to provide art-based rejections for these claims.

2007 WL 1574126 (Bd.Pat.App. & Interf.)  
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No. Please consider alternatives to an affidavit from the Internet Archive. Judicial notice and stipulation to a document's authenticity are two typical and straightforward options that might be used instead of an affidavit. Since our resources are limited, we urge you to pursue these alternatives before coming to us with authentication requests.

**What does your standard affidavit look like?**

You can see our [Model Affidavit](#).

**Can the affidavit be notarized?**

Notarizing the affidavit is a strain on the Internet Archive's resources, since there are no notaries nearby. If you would like your affidavit notarized, please add \$100 to payment, and note it in your request.

**Can I subpoena someone to testify to the authenticity of the URLs in the Wayback Machine?**

The Internet Archive would prefer if you didn't, and will most likely fight it. The Internet Archive is a small non-profit, and taking a member of the team for even a few days significantly effects what the Archive is trying to accomplish. Please consider alternatives to subpoenaing someone from the Internet Archive, including using the standard affidavit or judicial notice.

**My request is urgent! Can the Internet Archive provide the documents and affidavit immediately?**

No. Unfortunately, given the number of information requests the Internet Archive receives, it is not feasible for us to provide anyone with expedited responses.

However, we recommend that you provide us with a FedEx account number for sending your documents and affidavit, since this will speed up your wait time significantly (otherwise, we will send your affidavit via regular mail). Please see our [Information Request Policy](#) for more details.

**Can the affidavit be faxed or sent in some kind of electronic form (ex: on CD or as a pdf)?**

The Internet Archive does not have the resources to prepare or deliver your documents in any other than printed form.

**Can the Internet Archive change its standard affidavit to fit my needs?**

The Internet Archive may be willing to change its standard affidavit according to particular needs, on a case by case basis. However, if we agree to make such changes, you will be required to reimburse the Internet Archive for its related attorney fees as we ask our attorneys to review and negotiate any changes to the standard affidavit. If you wish to inquire further about this possibility, please contact us via email at [info@archive.org](mailto:info@archive.org)

**Does the Internet Archive's affidavit mean that the printout was actually the page posted on the Web at the recorded time?**

The Internet Archive's affidavit only affirms that the printed document is a true and correct copy of our records. It remains your burden to convince the finder of fact what pages were up when.

**Can the Internet Archive provide all pages from a specified domain?**

The Internet Archive cannot respond to requests that list one URL and ask for all pages at that domain. You must provide us with an extended URL (i.e., the full URL that appears in the Address field of your browser) for each page you need authenticated. The extended url must come from the Internet Archive's Wayback Machine and not the live web. For example, <http://web.archive.org/web/20010812000355/www.archive.org/movies/index.html> is. Please see our [Information Request Policy](#) for more details.

**Does the Internet Archive limit the number of documents I can request at one time?**

The Internet Archive will respond to reasonable requests for documents. If you request a substantial number of documents, the Internet Archive may contact you and ask that you reduce your request, and the turnaround time on your request may be longer than five business days. Please remember that every request puts a strain on the Internet Archive's limited resources and small staff, and therefore request only those documents which you believe are absolutely necessary to your case. In addition, the Internet Archive reserves the right to decline any request it deems to be unreasonable.

**Does the Internet Archive guarantee a turnaround time for responses to requests?**

No. The Internet Archive strives to respond to requests within five business days of receipt of payment, but that timeframe is not guaranteed.

**When I send my payment, how will you know that my payment relates to my request?**

If you are sending a check, please also include a copy of your request in the envelope with your check as well as an email address where we can contact you. If you are sending payment via PayPal, please email [info@archive.org](mailto:info@archive.org) immediately after sending your payment notifying the Internet Archive that you have just sent payment and identifying your request sufficiently for the Internet Archive to understand to which request you are referring.

**Where do I send questions about your information request policy?**

Questions should be sent via email to [info@archive.org](mailto:info@archive.org).

**I submitted an incorrect request, can I have a refund or a credit?**

No. The Internet Archive does not have the resources to set up an accounting system in this way. Please double-check your requests for duplicate URLs or errors before submitting them. We cannot refund your money or give you a credit.

**Will the Internet Archive take a position in my legal dispute?**

The Internet Archive strives to be a disinterested third party in all disputes involving its collection items. If you are using Wayback Machine documents to make a case in your legal dispute, the Internet Archive will not take an ideological or other position in said dispute.

**I need an affidavit for a case taking place outside of the United States.**

Internet Archive can provide you with authenticated documents and an affidavit in accordance with our U.S. policy with the following adjustments:

- If you cannot provide the archive with an account number to which shipment of the documents can be charged, the archive will charge an additional \$50-\$100 depending on the size of your request.
- Internet Archive will strive to have your documents printed in 5 business days after payment is received, however transit time to you is not guaranteed.
- Internet Archive will accept international wire transfers for international cases only at no expense to the archive; any unexpected wire transfer fees must be paid by you.

Please remember that the Internet Archive's affidavit only affirms that the printed document is a true and correct copy of our records. It remains your burden to convince the finder of fact what pages were up when. Additionally, the Internet Archive does not automatically notarize

affidavits, this is an additional \$100 charge.

#### About the Wayback Machine

##### How can I tell when the pages from the Wayback Machine were archived?

The Internet Archive assigns a URL to each archived page on its site in the format [http://web.archive.org/web/\[Year in yyyy\]\[Month in mm\]\[Day in dd\]\[Time code in hh:mm:ss\]/\[Archived URL\]](http://web.archive.org/web/[Year in yyyy][Month in mm][Day in dd][Time code in hh:mm:ss]/[Archived URL]). Thus, the Internet Archive URL <http://web.archive.org/web/19970126045828/http://www.archive.org/> would be the URL for the record of the Internet Archive home page (<http://www.archive.org/>) archived on January 26, 1997, at 4:58 a.m. and 28 seconds (1997/01/26 at 04:58:28). Typically, a printout from a Web browser will show the URL in the footer.

If a website is designed with "frames," the date assigned by the Internet Archive applies to the frameset as a whole, and not the individual pages within each frame.

##### Are all the pages associated with a site archived on the same date?

Probably not. Some users get confused about the temporal browsing that the Wayback Machine allows. If a user enters a URL into the Wayback Machine and clicks on a date, that date is only for that page. If a user then clicks on a link on an archived page to continue browsing, the Wayback Machine will grab the closest date to the one originally requested a display it. If the requested page has not been archived, but still available on the live web, the Wayback Machine will grab the live page and it will be displayed with today's date in the date code.

For example, a user starts on this page:

<http://web.archive.org/web/20000619182857/http://www.archive.org/>

which is the June 19th 2000 version of archive.org

Then the user clicks on the "Internet Archive Colloquium 2000 a Success" link:

<http://web.archive.org/web/20000706194131/www.archive.org/news/index.html>

note that the date for this page is July 6th, 2000

##### How can I tell what date a particular image was archived?

The date assigned by the Internet Archive applies to the HTML file but not to image files linked therein. Thus images that appear on the printed page may not have been archived on the same date as the HTML file. If you would like to find out when a particular image was archived right click (control click from Mac users) and select "open image in new tab [or window]". You can also select "copy image location", open up a new tab or browser window and paste in the url. Once the image opens look at the url in your browser's address window to determine the date the image was captured. Please note that using Microsoft's Internet Explorer's "properties" option can be misleading as it displays the same date code as the url's HTML file when looking at an image. Its best to open the image in its own window to determine the exact capture date.

##### I clicked on an archived link and ended up on the live web. What happened?

The Wayback Machine does its best to allow temporal browsing. If a user enters a URL into the Wayback Machine and clicks on a date, that date is only for that page. If a user then clicks on a link on an archived page to continue browsing, and the link is not available, sometimes the Wayback Machine will redirect to the live web. If we receive a request containing files that are not archived we cannot process them nor return payment. Keep an eye on your address bar to make sure the file you request is an archived file.

I've surfed to

<http://web.archive.org/web/20000706194131/www.archive.org/news/index.html>, how do I find out what dates are available?

Replace the date code with a \*, and the Wayback Machine will display all dates for that URL:

[http://web.archive.org/web/\\*www.archive.org/news/index.html](http://web.archive.org/web/*www.archive.org/news/index.html)



**What do these error messages mean?****a. Robots.txt Query Exclusion.**

This means that the site is blocked by the siteowner. The Internet Archive was not contacted and has no record of when the exclusion took effect.

**b. Blocked Site Error.**

This means that the Internet Archive was contacted by the siteowner and asked to remove the site from the Wayback Machine. Pursuant to its document retention policy, the Internet Archive keeps the original request for 1 month.

**c. Failed Connection Error.**

This means that the machine that this URL resides on in the database is down and needs attention from a system administrator. If your request contains pages with a Failed Connection Error, the Internet Archive will need additional time to correct the problem.

**d. Not in Archive.**

This means that this URL is not in the archive, and also no longer available on the live web.

**e. Path Index Error**

A path index error message refers to a problem in our data base wherein the information requested is not available (generally because of a machine or software issue, however each case is different). We will look into each instance where this error occurs in your request, however the Internet Archive cannot guarantee that all of these errors can be fixed within any given timeline.

**What is a frames site, and how do I go about authenticating archived frames pages?**

General information on frames sites can be found on the web. Typically, frames sites have a side menu bar that doesn't reload when you click on a button, only the content in the middle does. You can also "view page source" on your browser and check the source html for the words "frame" or "frameset".

Since the time stamp on a frames site refers to the parent frame only, it would be in your best interest to also request authentication of the child pages. The date on these child pages can be found by right clicking anywhere in the child frame and opening it in a new window by itself.

**Can the Internet Archive search for pages on the Wayback Machine using particular keywords or other search terms?**

No. The Wayback Machine is not like a typical search engine in that it cannot search for specific terms or keywords. Therefore, the Internet Archive cannot respond to requests such as: "All records containing the term 'Prelinger Archives'" or "All records related to the Web site [www.archive.org](http://www.archive.org)." Instead, provide a list of the extended URLs for each page on the Wayback Machine that you want us to authenticate.

**Does the fact that a particular URL is not in the Wayback Machine on a particular date mean the page did not exist on that date?**

The fact that a URL from a particular date is not accessible via the Wayback Machine only means that the page is not archived in the Wayback Machine. It does not mean that the page did or did not exist on that date. The Wayback Machine does not contain copies of every page that ever existed on the Internet.

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United States District Court,  
 E.D. New York.  
 Robert NOVAK d/b/a Petswarehouse.Com, Plaintiff,  
 v.

TUCOWS, INC., Opensrs and Nitin Networks, Inc.,  
 Defendants.

No. 06-CV-1909(JFB)(ARL).

March 26, 2007.

Plaintiff appears pro se.

Glenn Matthew Mitchell, Esq., Schwimmer Mitchell  
 Law Firm, Mount Kisco, New York, for Defendant  
**Tucows**.

Gary Adelman, Esq., Adelman & Lavania, New York,  
 NY, for Defendant Nitin.

#### MEMORANDUM AND ORDER

JOSEPH F. BIANCO, District Judge.

\* *Pro se* plaintiff Robert Novak ("Novak") brings the present action against defendants Tucows, Inc. and its subsidiary, OpenSRS <sup>EN1</sup> (collectively, "Tucows") and Nitin Networks, Inc. ("Nitin") (collectively, "defendants"), alleging that defendants' transfer of his internet domain name, "petswarehouse.com," constituted trademark infringement and trademark dilution in violation of the Lanham Act, 15 U.S.C. § 1114, 1117, 1125(a) & 1125(c). Plaintiff also brings pendent state claims, including: conversion, negligence, bailee breach of duty, bailee breach of trust, negligent misrepresentation, breach of contract, tortious interference and intentional infliction of emotional distress.

<sup>EN1</sup> Tucows, Inc. does business under the name OpenSRS; however, there is no legal entity by the name of OpenSRS that is connected with Tucows. (Lazare Decl., ¶ 3; Tucows' Br., at 6 n. 6.) Therefore, this Court shall consider Tucows, Inc. and OpenSRS as a single entity.

Presently before the court are defendants' motions to dismiss the complaint pursuant to Fed.R.Civ.P. 12(b)(3), on the basis of improper venue, or, in the alternative, under Fed.R.Civ.P. 12(b)(6) and 12(b)(1), on the grounds that plaintiff fails to state a federal claim upon which relief may be granted and, absent any federal question, this Court lacks jurisdiction due to an absence of complete diversity between the parties. Plaintiff cross-moves to strike certain of both defendants' declarations and exhibits, and defendant Tucows moves to strike certain of plaintiff's exhibits.

For the reasons that follow, plaintiff's motion to strike is granted in part and denied in part. Defendant Tucows' motion to strike is granted, and both defendants' motions to dismiss are granted on the basis of improper venue.

#### I. BACKGROUND

##### A. The Facts

The following facts are taken from the amended complaint.

In approximately November 1997, Novak registered for and obtained the Internet domain name "petswarehouse.com" through "Bulkregister.com," an internet domain name registration company. (Am.Compl.¶¶ 36, 38.) He then commenced selling pet supplies and livestock via his website. (*Id.* ¶ 124.) According to Novak, his website was the fourth most-visited pet-supply-related site in the United States during 1999. (*Id.* ¶ 5.) On July 30, 2001, Novak trademarked the domain name "petswarehouse.com" and was awarded trademark number 2,600,670. (*Id.* ¶ 36.)

On February 11, 2003, in the Circuit Court of Colbert County, Alabama, an individual named John Benn obtained a default judgment against Novak in the amount of \$50,000. (*Id.* ¶ 37.) Faced with the prospect of litigation in Alabama, Novak, a New York resident, opted to transfer the domain name "petswarehouse.com" from "Bulkregister.com," which was based in Maryland, to another company, Nitin, which was located in New York. (*Id.* ¶¶ 38-39.) On March 21,

(Cite as: 2007 WL 922306 (E.D.N.Y.))

2003, **Novak** contacted Nitin by telephone in order to initiate the transfer of his domain name. (*Id.* ¶ 39.) A little over one month later, on May 1, 2003, Benn applied for a writ of execution to obtain **Novak's** domain name "petswarehouse.com" in an effort to enforce the default judgment that he had been awarded against **Novak**. (*Id.* ¶ 41.) **Novak** asserts that it was only as a result of the May 1, 2003 writ of execution that he became aware that his domain name was actually being held by **Tucows**, a Canadian registration company, rather than the New York-based Nitin. (*Id.* ¶ 42.) **Novak** contacted Nitin on May 2, 2003, and demanded that Nitin transfer registration of "petswarehouse.com" from **Tucows** back to Nitin. (*Id.*) **Novak** was told by Nitin that such a transfer was not possible. (*Id.*)

\*2 The Alabama trial court's May 1, 2003 writ of execution required **Tucows** to suspend domain name hosting of "petswarehouse.com" and to turn over the domain name to the Colbert County Sheriff's Department for public auction. (*Id.* ¶ 45; Ex. C.) On May 23, 2003, **Tucows** transferred control over the domain name to the Alabama court pursuant to the court's order, and access to **Novak's** servers through the "petswarehouse.com" web address was suspended. (*Id.* ¶ 47, 124; Ex. D.) Internet users accessing "petswarehouse.com" were directed to a web page providing notice of the Colbert County Sheriff's Sale of the domain name pursuant to the Alabama trial court's writ of execution. (*Id.* ¶ 68; Ex. E.) On July 28, 2003, Benn purchased "petswarehouse.com" in a public auction held by the Colbert County Sheriff, in which Benn was the only bidder. (*Id.* ¶ 54.) On September 16, 2003, **Tucows** transferred the domain name to Benn pursuant to the Alabama trial court's order. (*Id.* ¶ 55.)

**Novak** challenged the Alabama trial court's decision, and on April 2, 2004, the Alabama Court of Civil Appeals reversed Benn's default judgment and writ of execution against **Novak** on the basis that the judgment had been entered without personal jurisdiction over **Novak**. (*Id.* ¶ 71.) Armed with the state appellate court decision, **Novak** demanded that **Tucows** return control of "petswarehouse.com" to him. (*Id.* ¶ 72.) On October 1, 2004, after Benn was denied rehearing by the Alabama Court of Civil Appeals and the Alabama Supreme Court, **Tucows** returned the domain name to **Novak**. (*Id.* ¶ 72-73.)

Plaintiff alleges that the transfer of his domain name out of his control between May 1, 2003 and October 1, 2004 destroyed his pet-supply business. Prior to May 23, 2003, **Novak** had received approximately 12,000 daily visitors to "petswarehouse.com." (*Id.* ¶ 134.) Following transfer of the domain name, visitors to the website were directed to the sheriff's notice of sale, and **Novak** was unable to process any pet-supply orders. (*Id.*) According to **Novak**, **Tucows** and Nitin's transfer of the domain name out of his control diluted the "petswarehouse.com" trademark in violation of the Lanham Act, 15 U.S.C. § 1125(c). **Novak** also asserts that the transfer deceptively and misleadingly represented **Tucows** and Nitin's association with "petswarehouse.com," and constituted unfair competition and cyberpiracy under 15 U.S.C. §§ 1114, 1117 & 1125(a).

## B. Procedural History

On April 25, 2006, **Novak**, proceeding *pro se*, filed the instant complaint against defendants **Tucows**, Inc. and OpenSRS. By letter dated May 11, 2006, defendant **Tucows** indicated its intention to move for dismissal on the basis of improper venue. Upon learning of defendants' proposed motion to dismiss, plaintiff modified his claims, adding Nitin as a defendant, and filed an amended complaint on May 16, 2006. On July 10, 2006, defendants Nitin and **Tucows** moved to dismiss the complaint on the basis of improper venue, or, in the alternative, failure to state a claim and lack of subject-matter jurisdiction. Plaintiff cross-moved to strike the declarations and exhibits submitted by defendants in support of their motions to dismiss, and defendants moved to strike certain of plaintiff's exhibits. Oral argument and an evidentiary hearing were held on December 22, 2006, January 25, 2007 and February 9, 2007.

## II. EVIDENTIARY OBJECTIONS

### A. Plaintiff's Motion to Strike

#### 1. General Objections to Admissibility of Foreign Declarations

\*3 According to **Novak**, the declarations of two of defendant **Tucows'** employees in Canada are inadmissible under Fed.R.Evid. 902(12). Rule 902(12) permits foreign documents to be submitted into evidence as self-authenticating business records if ac-

accompanied by a declaration signed "in a manner that, if falsely made, would subject the maker to criminal penalty under the laws of the country where the declaration is signed." Fed.R.Evid. 902(12). Novak argues that, in order to meet this requirement, a "jurat including penalty of perjury" under Canadian law should have been provided by defendants with regard to the declarations submitted by Brenda Lazare ("Lazare"), Tucows' Secretary and General Counsel, and Evgeniy Pirogov ("Pirogov"), Team Leader of the OpenSRS Development Team. (Pl.'s Br., at 25-26.) However, where a matter must be supported by a sworn declaration, a declaration written outside of the United States may be supported "with like force and effect" by a statement in writing that "I declare (or certify, verify, or state) under penalty of perjury under the laws of the United States of America, that the foregoing is true and correct. Executed on (date)." 28 U.S.C. § 1746. In this instance, both the Lazare and Pirogov declarations contain the requisite statement, and are therefore admissible. (See Lazare Decl., at 9; Pirogov Decl., at 6.)

## 2. Objections to the Lazare Declaration

According to plaintiff, the Lazare declaration is also defective in failing to authenticate the attached Exhibits J-L as business records. The contested exhibits include: Exhibit J, excerpts from the registrar's agreement between Tucows and ICANN, the non-profit corporation that administers the internet domain name and internet protocol number system; Exhibit K, excerpts from Tucows' registrar license and the registry-registrar agreement between Tucows and Network Solutions, Inc. a/k/a Verisign, Inc. ("Verisign"), a registry that operates and maintains ".com" top-level domain names; and Exhibit L, excerpts from Nitin's reseller application and the reseller agreement between Tucows and Nitin. (Lazare Decl., Ex. J-L.) In the declaration, Lazare, as Secretary and General Counsel of Tucows, clearly sets forth her personal knowledge of the facts stated therein, explaining that she has held her current position overseeing management of the regulatory compliance and disputes department of Tucows since June 2000. (Lazare Decl., ¶ 1-2.) Specifically, Lazare details Tucows' relationship with ICANN, Verisign and Nitin, and clearly sets forth how the related exhibits were created and maintained in the course of "regularly conducted business activity," pursuant to Fed.R.Evid. 803(6). Therefore, the Court finds that Exhibits J-L are prop-

erly authenticated by the Lazare declaration and, moreover, are admissible as business records.

Plaintiff further asserts that the Lazare Declaration should be held inadmissible on the basis that it contains legal argument. The Court finds that the first 26 paragraphs of the declaration contain factual descriptions of the domain name registration and transfer processes. (*Id.* ¶¶ 1-26.) However, paragraphs 27-31 of the declaration present legal argument regarding the applicability of the forum selection clause at issue in this case, and as such, those paragraphs shall be disregarded. (*Id.* ¶¶ 27-31.) See, e.g., *Kamen v. Am. Tel. & Tel. Co.*, 791 F.2d 1006, 1011 (2d Cir.1986) (holding that it was improper for district court to consider "conclusory and hearsay" statements in an attorney affidavit where the statements were not based upon personal knowledge).

## 3. Objections to the Pirogov Declaration

\*4 Novak argues that the Pirogov Declaration lacks personal knowledge, expresses "expert opinion" testimony, and includes hearsay. Pirogov, Team Leader of the OpenSRS Development Team since October 2003, asserts in his declaration that his duties include "supervision of the software development that allows Tucows to process transfers, and maintenance of the logs that archive prior transfers." (Pirogov Decl., ¶¶ 1-4.) Based upon Pirogov's position and his statements, the Court finds that he has sufficient personal knowledge to describe Tucows' domain name transfer process, and to authenticate the exhibits demonstrating that process. Furthermore, the Court finds no basis in the declaration for Novak's assertion that it includes "expert opinion" testimony or hearsay.

In addition, plaintiff objects to the admissibility of Exhibits B-I, authenticated therein, on the basis that they have been newly created for purposes of this litigation, and were not kept in the ordinary course of business. The Court disagrees. First, the Court finds that these exhibits have been authenticated by Pirogov pursuant to Rule 901(b)(9), which permits the admission of "[e]vidence describing a process or system used to produce a result and showing that the process or system produces an accurate result." Fed.R.Evid. 901(b)(9). Furthermore, to the extent that Exhibits B-I are submitted merely as a demonstrative aid, the Court finds that the hearsay rule is not applicable. "[T]here is no requirement that demonstrative evidence be shown

to be totally accurate. Rather, alleged inaccuracies go to the weight and not the admissibility of the evidence.” 5-900 *Weinstein’s Federal Evidence* § 900.07 (2006); see, e.g., *Datskoff v. Teledyne Cont’l Motors Aircraft Prod.*, 826 F.Supp. 677, 686 (W.D.N.Y.1993) (admitting computer-generated animation used to show theory of how accident occurred). Thus, the Court shall consider Exhibits B-1 to the extent that they demonstrate the process of transferring domain names, rather than to show the transfer steps specific to “petswarehouse.com.” <sup>FN2</sup>

<sup>FN2</sup>. At the evidentiary hearing, Eliot Noss, CEO of Tucows, testified regarding a series of additional exhibits that recreate the steps taken during Novak’s transfer of the domain name “petswarehouse.com” based upon information stored in Tucows’ databases. This Court ruled that such exhibits were, in fact, admissible for purposes of showing the transfer steps specific to the transaction in question:

There are a few documents in which the witness testified the computer took data and put it in the form of how it would have appeared on the page at the time to show where the information would have been inputted on the forms as they currently existed at the time of the transaction. I find that that is also admissible.... [T]he witness properly laid the foundation for the[m] having retained the data, and for what forms they used at the time, and it was clear to point out that this was not created at the time, but it was recreated to show, based upon what data they stored, where it would have been inputted on their existing forms. So I think it is admissible under the rules of evidence.... I think, based upon [Noss]’ testimony, they have laid the proper foundation for the admissibility of the documents. So I am admitting Defense Exhibits T 1 through 10.

(Transcript of December 22, 2006 Hearing (hereinafter “Dec. 22, 2006 Tr.” at 125-26.)

#### 4. Objections to the Agarwal Declaration

Novak argues that the declaration submitted by Nitin Agarwal (“Agarwal”), CEO and founder of Nitin, contains impermissible hearsay and is not based on personal knowledge. The Court finds, based upon Agarwal’s position, that he had personal knowledge of the events relating to Nitin’s handling of the transfer of Novak’s domain name. Moreover, any potential defects in Agarwal’s declaration were subsequently cured by his testimony at the evidentiary hearing, in which he set forth a clear basis for his personal knowledge of Novak’s interactions with Nitin in transferring “petswarehouse.com.”

Plaintiff also asserts that the Agarwal Declaration contains the false statement that “[a]t the time of the transfer [March 21, 2003], Nitin Networks was not registering any domain names as a registrar, and was exclusively using Defendant Tucows for all of its registrations and transfers.” <sup>FN3</sup> (Agarwal Decl., ¶ 4.) According to plaintiff, this statement conflicts with evidence that Nitin Networks was, in fact, registering domain names. However, plaintiff’s objection does not go to the admissibility of the Agarwal Declaration, but to its credibility and weight.

<sup>FN3</sup>. During the evidentiary hearing, plaintiff cross-examined Agarwal regarding paragraph 4 of his declaration, and Agarwal affirmed “I stand by the full sentence of the statement.” (Jan. 25, 2007 Tr. 87.)

#### B. Defendants’ Motion to Strike

\*5 Defendants contend that plaintiff’s Exhibits B, J, K, O-R, U and V, which are printouts of internet pages, constitute inadmissible hearsay and do not fall within any acknowledged exception to the hearsay rule. <sup>FN4</sup> At the evidentiary hearing, defendants objected to Plaintiff’s Exhibit 1, as well as to Plaintiff’s Exhibits N-R. (Jan. 25, 2007 Tr. 125-31.) Plaintiff’s Exhibit 1 is a printout from “RegisterSite.com,” Nitin’s website, as it purportedly appeared in 2003. (Pl.’s Ex. 1.) According to plaintiff, he obtained the printout through a website called the Internet Archive, which provides access to a digital library of Internet sites. (Novak Decl., ¶ 2.) The Internet Archive operates a service called the “Wayback Machine,” which purports to allow a user to obtain an archived web page as it appeared at a particular moment in time. (See *id.* ¶¶ 3-5.) The other contested exhibits include: Exhibit B, an online summary of plaintiff’s past and pending

lawsuits, obtained via the Wayback Machine; Exhibit J, printouts of comments on a web message board by Pirogov; Exhibit K, a news article from the Poughkeepsie Journal website featuring Agarwal; Exhibit N, Novak's declaration regarding the authenticity of pages printed from the Wayback Machine; Exhibit O, pages printed from the Internet Archive website; Exhibit P, pages printed from the Wayback Machine website; Exhibits Q, R and U, all of which constitute pages printed from RegisterSite.com via the Wayback Machine; and Exhibit V, a news article from "The Register," a British website, regarding Tucows. (Pl.'s Exs. B, J, K, N-R, U & V.) Where postings from internet websites are not statements made by declarants testifying at trial and are offered to prove the truth of the matter asserted, such postings generally constitute hearsay under Fed.R.Evid. 801, United States v. Jackson, 208 F.3d 633, 638 (7th Cir.2000) (declining to admit web postings where defendant was unable to show that the postings were authentic, and holding that even if such documents qualified under a hearsay exception, they are "inadmissible if the source of information or the method or circumstances of preparation indicate a lack of trustworthiness") (quoting United States v. Croft, 750 F.2d 1354, 1367 (7th Cir.1984)); see also St. Clair v. Johnny's Oyster & Shrimp, Inc., 76 F.Supp.2d 773, 775 (S.D.Tex.1999) ("[A]ny evidence procured off the Internet is adequate for almost nothing, even under the most liberal interpretation of the hearsay exception rules.").

FN4. During the evidentiary hearing, defendant Tucows also objected to the admission of plaintiff's Exhibit S, a document titled "OpenSRS Quickstart Instructions," and dated January 2001, on the basis that the exhibit had not been authenticated by Tucows. (Jan. 25, 2007 Tr. 46-50.) By letter dated January 30, 2007, Tucows withdrew its objection based upon the authenticity of Exhibit S. (Tucows' January 30, 2007 Letter, at 2.) However, Tucows "reserve[d] the right to argue the immateriality of the document, based both on its contents and the relevance of the 2001 document to events that took place in 2003." (*Id.*)

Furthermore, in this case, such documents have not been properly authenticated pursuant to Fed.R.Evid. 901. While plaintiff's declaration purports to cure his inability to authenticate the documents printed from

the internet, he in fact lacks the personal knowledge required to set forth with any certainty that the documents obtained via third-party websites are, in fact, what he proclaims them to be. This problem is even more acute in the case of documents procured through the Wayback Machine. Plaintiff states that the web pages archived within the Wayback Machine are based upon "data from third parties who compile the data by using software programs known as crawlers," who then "donate" such data to the Internet Archive, which "preserves and provides access to it." (Novak Decl. ¶ 4.) Based upon Novak's assertions, it is clear that the information posted on the Wayback Machine is only as valid as the third-party donating the page decides to make it-the authorized owners and managers of the archived websites play no role in ensuring that the material posted in the Wayback Machine accurately represents what was posted on their official websites at the relevant time. As Novak proffers neither testimony nor sworn statements attesting to the authenticity of the contested web page exhibits by any employee of the companies hosting the sites from which plaintiff printed the pages, such exhibits cannot be authenticated as required under the Rules of Evidence. See, e.g. Costa v. Keppel Singmarine Dockyard PTE, Ltd., No. 01-CV-11015 MMM (Ex), 2003 U.S. Dist. LEXIS 16295, at \*29 n. 74 (C.D.Cal. Apr. 25, 2003) (declining to consider evidence downloaded from corporation's website in the absence of testimony from the corporation authenticating such documents) (citing Jackson, 208 F.3d at 638, and St. Clair, 76 F.Supp.2d at 775 ("Anyone can put anything on the internet. No web-site is monitored for accuracy and nothing contained therein is under oath or even subject to independent verification absent underlying documentation.")). Therefore, in the absence of any authentication of plaintiff's internet printouts, combined with the lack of any assertion that such printouts fall under a viable exception to the hearsay rule, defendants' motion to strike Exhibits B, J, K, N-R, U and V is granted.<sup>FN5</sup>

FN5. The Court notes that, even if all of plaintiff's exhibits were admissible, they would not impact the Court's analysis or conclusions on the substantive issues in the instant case.

### III. STANDARD OF REVIEW

\*6 Defendants challenge venue in this case pursuant to

Federal Rule of Civil Procedure 12(b)(3). However, the Court must first address the question of whether a motion to dismiss based upon a forum selection clause is properly brought under Rule 12(b)(3) as a challenge to venue, rather than under Rule 12(b)(6) for failure to state a claim or Rule 12(b)(1) for lack of subject-matter jurisdiction.

In *New Moon Shipping Co., Ltd. v. Man B & W Diesel A.G.*, the Second Circuit acknowledged the absence of consensus among the courts regarding the correct procedural mechanism for dismissal of a suit pursuant to a valid forum selection clause. 121 F.3d 24, 28 (2d Cir.1997) (comparing *A/C Nederland B.V. v. Atrium Inv. P'ship*, 740 F.2d 148, 152 (2d Cir.1984) (applying Fed.R.Civ.P. 12(b)(1) to a motion to dismiss based upon a forum selection clause), with *Peterson, Zochonis (U.K.) Ltd. v. Compania United Arrows, S.A.*, 493 F.Supp. 626, 629 (S.D.N.Y.1980) (applying Fed.R.Civ.P. 12(b)(3)); see also *Rainforest Café, Inc. v. EklecCo., L.L.C.*, 340 F.3d 544, 546 n. 5 (8th Cir.2003) (recognizing controversy between whether to apply Fed.R.Civ.P. 12(b)(3) or Fed.R.Civ.P. 12(b)(6) to a motion to dismiss based on forum selection clause). In this instance, defendants have framed the forum-selection clause issue as a motion to dismiss pursuant to Rule 12(b)(3), and in the absence of any objection to this framework by plaintiff, the Court shall consider the jurisdictional issue pursuant to this rule. See, e.g., *Person v. Google, Inc.*, 456 F.Supp.2d 488, 492-93 (S.D.N.Y.2006) ("Here, the issue will be considered under Fed. Civ. P. Rule 12(b)(3) because that is how it was framed by the parties.") (citing *J.B. Harris, Inc. v. Ruzei Bar Indus., Inc.*, 37 F.Supp.2d 186, 189 (E.D.N.Y.1998) ("The Court does not decide whether this issue might more properly have been raised by way of Rule 12(b)(6), as the issue is squarely framed by Defendants under Rule 12(b)(3) and Plaintiff does not argue that this is an improper procedural mechanism.") (internal citation omitted)).

Without resolving the question of whether to treat the motion to dismiss as a 12(b)(1) or 12(b)(3) motion, the Second Circuit held in *New Moon Shipping* that "at the initial stage of litigation, a party seeking to establish jurisdiction need only make a *prima facie* showing by alleging facts which, if true, would support the court's exercise of jurisdiction." 121 F.3d at 29 (citing *Marine Midland Bank, N.A. v. Miller*, 664 F.2d 899,904 (2d Cir.1981)); *Gulf Ins. Co. v. Glasbrenner*, 417 F.3d 353, 355 (2d Cir.2005) ("If the court chooses to rely

on pleadings and affidavits, the plaintiff need only make a *prima facie* showing of [venue].") (quoting *CutCo Indus. v. Naughton*, 806 F.2d 361, 364-65 (2d Cir.1986) and citing *Sunward Elecs. v. McDonald*, 362 F.3d 17, 22 (2d Cir.2004)). "After limited discovery on the jurisdictional issue, the matter might be appropriate for resolution on motion supported by affidavits, or, if a genuine dispute of material fact exists, the Court may conduct a hearing limited to Article III standing." *Alliance for Envtl. Renewal, Inc. v. Pyramid Crossgates Co.*, 436 F.3d 82, 87-88 (2d Cir.2006) (citations omitted). Disputed facts may be resolved against the non-moving party only after an evidentiary hearing, where the plaintiff must demonstrate venue by a preponderance of the evidence. *New Moon Shipping*, 121 F.3d at 29 ("A disputed fact may be resolved in a manner adverse to the plaintiff only after an evidentiary hearing.... [A] party seeking to avoid enforcement of such a contractual clause is also entitled to have the facts viewed in the light most favorable to it, and no disputed fact should be resolved against that party until it has had an opportunity to be heard.") (citations omitted); *Gulf Ins. Co.*, 417 F.3d at 355 ("[I]f the court holds an evidentiary hearing ... the plaintiff must demonstrate [venue] by a preponderance of the evidence.") (quoting *CutCo Indus.*, 806 F.2d at 364-65) (additional citation omitted); *Murphy v. Schneider Nat'l, Inc.*, 362 F.3d 1133, 1139 (9th Cir.2004) ("To resolve such motions when genuine factual issues are raised, it may be appropriate for the district court to hold a Rule 12(b)(3) motion in abeyance until the district court holds an evidentiary hearing on the disputed facts. Whether to hold a hearing on disputed facts and the scope and method of the hearing is within the sound discretion of the district court.") (citations omitted).

\*7 In this case, the Court conducted an evidentiary hearing to resolve a disputed material fact as to whether venue is proper in this Court; specifically, whether plaintiff consented to an agreement with defendant Tucows that contained a forum selection clause mandating litigation of all related disputes in Ontario, Canada. At the evidentiary hearing, all parties presented evidence bearing on the question of whether Novak agreed to transfer his domain name to Tucows by clicking his assent to a Domain Name Transfer Agreement ("DNTA") on a website. The DNTA in question contained the following forum selection clause at paragraph 27:



(Cite as: 2007 WL 922306 (E.D.N.Y.))

GOVERNING LAW. This agreement shall be governed by and interpreted and enforced in accordance with the laws of [sic] Province of Ontario and the federal laws of Canada applicable therein without reference to rules governing choice of laws. *Any action relating to this agreement must be brought in Ontario and you irrevocably consent to the jurisdiction of such courts.*

(Pirogov Decl., Ex. H.) The legal effect of a forum selection clause depends upon “whether its existence was reasonably communicated to the plaintiff.” *Efron v. Sun Line Cruises, Inc.*, 67 F.3d 7, 9 (2d Cir.1995) (citations omitted). “A forum selection clause stated in clear and unambiguous language ... is considered reasonably communicated to the plaintiff in determining its enforceability.” *Vitricum, Inc. v. Midwest Elastomers, Inc.*, 148 F.Supp.2d 245, 247 (E.D.N.Y.2001) (citing *Efron*, 67 F.3d at 9). As there is no question that the language of the forum-selection clause at issue is clear and unambiguous, should this Court find that **Novak** did, in fact, “click-through” the **Tucows** DNTA, the Court may fairly conclude that the clause was “reasonably communicated” to the plaintiff. *Id.*

#### IV. THE EVIDENTIARY HEARING

The Court conducted an evidentiary hearing, over several days, to determine whether **Novak** in fact “clicked-through” his assent to **Tucows’** DNTA. Based upon the testimony and exhibits presented at the hearing, the Court finds that there is overwhelming evidence that the plaintiff consented to the DNTA with **Tucows**. Although it is unclear whether plaintiff actually read the agreement, the evidence unequivocally demonstrates that he was required to “click-through” his assent to **Tucows’** DNTA in order to complete the successful transfer of “petswarehouse.com.”

The plaintiff argues that he never agreed to the forum-selection clause, and, further, that he never agreed to enter into any agreement whatsoever with defendant **Tucows**. According to **Novak**, when he transferred the domain name “petswarehouse.com” from its original registrar, “Bulkregister.com,” he did so solely by phone agreement with Nitin, whose online transfer system was not operational at the time. (Jan. 25, 2007 Tr. 117.) **Novak** explained that he was not aware that Nitin was actually a reseller, rather than

a registrar, of domain names, nor that **Tucows** was the actual registrar of “petswarehouse.com” until over a month after the transfer, when Benn issued a writ of execution to obtain the domain name from **Tucows**. (Jan. 25, 2007 Tr. 112, 117; Feb. 9, 2007 Tr. 49.) **Novak** argues that, in fact, his intent in transferring the domain name from “Bulkregister.com” to Nitin was to bring the domain name under the control of a New York-based registrar. (Jan. 25, 2007 Tr. 110-11; Feb. 9, 2007 Tr. 66-67.) According to **Novak**, had he received a DNTA from Tucows, a Canadian registrar, he “would have declined the transfer, first because [he] would have felt deceived in seeing another company being involved in this transaction, and moreover a company based not only outside New York, but Canada.” (Feb. 9, 2007 Tr. 63.)

\*8 In response, defendants argue that plaintiff could not possibly have executed transfer of his domain name to Tucows solely by oral agreement by phone with Nitin. According to Tucows, “[p]laintiff’s assertion that he transferred the petswarehouse.com domain name orally through Nitin Networks is demonstrably and necessarily false, as the domain name registration system does not permit transfers without the safeguard of an electronic confirmation.” (Tucows’ Br., at 5.) Contrary to **Novak’s** assertion that he never entered into any agreement with Tucows, Noss testified that such agreements are “necessary” to the domain name transfer process, and that “[i]f they are overwhelmingly-in fact, in our case, almost without exception, they are click-through agreements, ones that are subscribed to on a web page.” (Dec. 22, 2007 Tr. 14.) Tucows asserts that, after plaintiff communicated with Nitin by phone, he received notification by email from Tucows that he would have to execute further electronic authorization of the transfer. (Tucows’ Br., at 5.) According to Tucows, in the confirmation email, plaintiff was instructed to click on a link directing him to Tucows’ website, where he was required to submit a “Transfer Confirmation Form,” affirming that he had “both read and understood the Domain Transfer and Registration Contract,” and that he “fully accepts the terms of the Domain Name Transfer and Registration Contract.”<sup>16</sup> (Tucows’ Br., at 4.) A hyperlink to the DNTA was provided on the Transfer Confirmation Form. (Tucows’ Br., at 4.) However, **Novak** categorically asserts that he “never received the e-mail. If I would have, I would have immediately canceled and gone to another registrar in New York.” (Feb. 9, 2007 Tr. 66.)

FN6. In addition, **Tucows** argues that it was clear from the electronic confirmation form that plaintiff would be entering into a contract with **Tucows** (rather than with Nitin) by language on the form stating that “[t]he domain listed above will be transferred to Registersite.com (An authorized reseller of **Tucows**).” ( **Tucows**’ Br., at 4.)

During the evidentiary hearing, Noss, **Tucows**’ CEO, testified, based upon a review of **Tucows**’ records, that the plaintiff had, in fact, engaged in each of the above steps:

I can say with certainty that, first, the request for transfer was received by **Tucows**, that we sent a confirmatory e-mail to bob@petswarehouse.com. We have the IP address, in other words, the specific address of the computer that was connected to the internet that received that e-mail. I can say with certainty that that e-mail, coming from IP address, had a link in it which was clicked on. And that email contained a unique password generated solely for the purpose of confirming this transfer. That password was then entered into the web page that resulted from clicking on the link. And I can also say with certainty that on the resulting pages, that the box that says, in effect, I agree with the terms and conditions, was ticked.

(Dec. 22, 2006 Tr. 21-22.) Noss’ testimony is fully corroborated by exhibits introduced at the hearing, which are printouts from Tucows’ computer database that reflect data generated contemporaneously with Novak’s domain name transfer. On March 31, 2003, at 12:28 p.m. and 43 seconds Eastern Standard Time, Tucows received a transfer request. (Dec. 22, 2006 Tr. 30; Defs.’ Ex. T2.) Three seconds later, Tucows sent a confirmation email to “bob @petswarehouse.com,” Novak’s email address.<sup>FN7</sup> (Dec. 22, 2006 Tr. 30; Defs.’ Ex. T2.) On the same day, at 5:07 p.m. and 26 seconds, a hyperlink within the email was clicked by the recipient. (Dec. 22, 2006 Tr. at 58-59; Defs.’ Ex. T6.) Less than one minute later, at 5:08 p.m. and 15 seconds, the email recipient typed the required domain name and transfer key into the Tucows website. (Dec. 22, 2006 Tr. at 59; Defs.’ Ex. T6.) Finally, at 5:14 pm and 51 seconds, the contract on the website was assented to and the request was submitted. (Dec. 22, 2006 Tr. at 59; Defs.’ Ex. T6.) Noss explained that, if Novak had

not entered the proper information during each of these steps, or if he had simply ignored the confirmation email from Tucows, the transfer would have failed. (Dec. 22, 2006 Tr. at 60.)

FN7. Novak concedes that he is the sole user of the email address “bob@petswarehouse.com,” and that the address is not case-sensitive.” (Feb. 9, 2007 Tr. 27, 28.)

<sup>9</sup>In response, Novak counters that he never engaged in the required steps, and that it was actually Agarwal, CEO of Nitin, who “went directly into the Tucows database, changed the contact info to himself, received the confirmation e-mails, and clicked them off to force the transfer to go through. Alternatively, he modified the database to indicate that that had occurred.” (Feb. 9, 2007 Tr. 66.) However, the Court finds Novak’s theory that Agarwal manually input false data in order to effect the domain name transfer to be incredible. Based upon the overwhelming evidence that Novak did, in fact, assent to the DNTA, and that a transfer of his domain name to Tucows would not have been possible without such assent, the Court finds, despite Novak’s blanket denials and conspiracy theories, that he did enter into such an agreement with Tucows and therefore is subject to the forum-selection clause contained therein, unless there is some ground for the clause to be found invalid. It is the latter issue to which the Court now turns.

## V. VALIDITY OF FORUM SELECTION CLAUSE

### A. Standard

Under the standard set forth by the Supreme Court in *The Bremen v. Zapata Off-Shore Company*, forum selection clauses are *prima-facie* valid and should control questions of venue absent a “strong showing” that enforcement would be “unreasonable and unjust, or that the clause was invalid for such reasons as fraud or overreaching.” 407 U.S. 1, 15, 16 (1972). A forum selection clause can bind the parties even where the agreement in question is a form consumer contract that is not subject to negotiation. *Carnival Cruise Lines, Inc. v. Shute*, 499 U.S. 585, 589-95 (1991). Such clauses will be enforced only if found to be exclusive or mandatory. *John Boutari and Son, Wines and Spirits, S.A., v. Atitiki Imp. and Distrib., Inc.*, 22 F.3d 51, 52-53 (2d Cir.1994). It is clear that the choice of fo-

rum is mandatory in this instance, as specific language regarding venue has been included in the clause, specifying that "any action relating to this agreement must be brought in Ontario." See, e.g., *John Boutari and Son, Wines and Spirits, S.A.*, 22 F.3d at 53; *Docksider, Ltd. v. Sea Tech., Ltd.*, 875 F.2d 762, 763-64 (9th Cir.1989); *Cent. Nat'l Gottesman, Inc. v. M.Y. "Gertrude Oldendorff."*, 204 F.Supp.2d 675, 678 (S.D.N.Y.2002) ("For a forum selection clause to be deemed mandatory, jurisdiction and venue must be specified with mandatory or exclusive language.") (citation omitted).

As the forum selection clause at issue is mandatory, it is enforceable, provided that enforcement would not be unreasonable. A clause is unreasonable: (1) if their incorporation into the agreement was the result of fraud or overreaching; (2) if the complaining party will be deprived of his day in court due to the grave inconvenience or unfairness of the selected forum; (3) if the fundamental unfairness of the chosen law may deprive the plaintiff of a remedy; or (4) if the clauses contravene a strong public policy of the forum state. *Roby v. Corp. of Lloyd's*, 996 F.2d 1353, 1363 (2d Cir.1993) (citing *The Bremen*, 407 U.S. at 10, 15, 18, and *Carnival Cruise Lines, Inc.*, 499 U.S. at 595-96); *S.K.I. Beer Corp. v. Baltika Brewery*, 443 F.Supp.2d 313, 316 (E.D.N.Y.2006) (same) (citations omitted). In his moving papers, plaintiff alleges neither that he will be deprived of his day in court due to the inconvenience of litigating this dispute in Ontario,<sup>FN8</sup> nor that Canadian law is fundamentally unfair and would deprive him of a remedy.<sup>FN9</sup>

<sup>FN8</sup>. In his supplemental reply brief, dated February 21, 2007, Novak asserts for the first time that he is not able to litigate this dispute in Canada for health reasons. In support of this claim, Novak submits a letter from his treating neurologist, Dr. Candice Perkins, M.D., stating that Novak sustained a carotid occlusion and stroke in August 2000 and continues to suffer from a persistent blockage of blood flow to his brain. (Pl.'s Supp. Br., Ex. A.) According to Dr. Perkins, "as a result prolonged travel out of the country (without close contact of [Novak's] medical team) is ill advised." (*Id.*) In fact, while Novak may very well suffer from illnesses that restrict his ability to travel, such impairments did not prevent him from driving cross-country over

a two-week span from January 1 to 14, 2007. (Dec. 22, 2006 Tr. 127.) Novak has given no indication that engaging in litigation in Toronto would be more taxing on his health than his recent travel across the United States; therefore, the Court rejects his argument that "[b]ased on [Dr. Perkins'] opinion and my families [sic] concerns I would have to abandon the thought of any cause of action in Canada against Tucows." (Pl.'s Supp. Br., at 2.) Even if Novak were unable to personally attend proceedings in Canada, such deprivation does not necessarily constitute a denial of his day in court. This Circuit has held that "[t]he right to a day in court means not the actual presentation of the case, but the right to be duly cited to appear and to be afforded an opportunity to be heard." *Effron*, 67 F.3d at 11 (quoting *Olsen v. Muskegon Piston Ring Co.*, 117 F.2d 163, 165 (6th Cir.1941)). "A plaintiff may have his 'day in court' without ever setting foot in a courtroom." *Id.* (citation omitted). While Novak may prefer to bring his case against Tucows in a familiar forum, he consented to bring any such claims in Ontario; in the absence of any showing that plaintiff's health concerns will actually deprive him of his day in court, this Court declines to find that plaintiff should be permitted to evade his contractual obligations.

<sup>FN9</sup>. In his supplemental brief, Novak also raises for the first time the argument that he could be deprived of a remedy under Canadian law because he "doubt[s] very much that court would have jurisdiction over Nitin but more importantly Canada would have no jurisdiction over John Benn as a witness residing in Alabama" and "there is an issue of the statute of limitation in re-commencing this action in Canada." (Pl.'s Supp. Br., at 2, 3.)

First, a "statute of limitations bar is not a basis for invalidating [a foreign] forum selection clause." *Asoma Corp. v. M/V Southgate*, 98-CV-7407 (CSH), 1999 U.S. Dist. LEXIS 18974, at \*9-12 (S.D.N.Y. Dec. 7, 1999) (collecting cases); see also *Street, Sound Around Elec., Inc. v. M/V*

Royal Container, 30 F.Supp.2d 661, 663 (S.D.N.Y.1999) (“By bringing suit here and not in Germany, plaintiffs have effectively chosen to ignore the forum selection clause that they previously agreed to; plaintiffs will not be heard now to complain of any potential timeliness problems that this choice may have created.”) (citations omitted); see also New Moon Shipping, 121 F.3d at 33 (“[C]onsideration of a statute of limitations would create a large loophole for the party seeking to avoid enforcement of the forum selection clause. That party could simply postpone its cause of action until the statute of limitations has run in the chosen forum and then file its action in a more convenient forum.”).

Second, while it is unclear whether Agarwal and Benn could be compelled to appear before a court in Ontario, the Court is not persuaded that this factor suggests the “fundamental unfairness” of litigating the instant dispute in Canada. At least in the context of transfers of lawsuits pursuant to 28 U.S.C. § 1404(a), courts have held that the availability of witnesses does not “tip the balance” with regard to the choice of a forum, particularly where the testimony of such witnesses may be obtained by videotape or deposition. Dealtime.com Ltd. v. McNulty, 123 F.Supp.2d 750, 757 (S.D.N.Y.2000); (citing Fed.R.Evid. 804(a)(5) and Citigroup Inc. v. City Holding Co., 97 F.Supp.2d 549, 561-62 (S.D.N.Y.2000) (“[T]he unavailability of process over third-party witnesses does not compel transfer when the practical alternative of offering videotaped or deposition testimony of a given witness exists.”) (citations omitted). There is no reason to believe that such alternatives to live testimony are not available to Novak in this case.

\*10 Plaintiff’s contends: (1) th at the “petswarehouse.com” domain name was fraudulently transferred from Nitin to Tucows without his permission, and that holding him to the DNTA would therefore be unconscionable under New York state law because he did not consent to the contract terms, and (2) that the

forum selection clause contravenes the public policy of New York state, which protects resident consumers against deceptive business acts and practices under New York General Business Law § 349.

## B. FRAUD

Plaintiff alleges, first, that Nitin misled him by falsely representing that Novak would only be interacting with a New York company when he transferred his domain name to Nitin. Plaintiff claims that Nitin concealed the fact that he was merely a reseller of domain names, and that Tucows, a Canadian company, would be the actual registrar. In other words, according to plaintiff, he was lured into transacting with Nitin on the basis of false information and misrepresentation. Plaintiff also alleges that his domain name was fraudulently transferred without his permission from Nitin, with whom he contracted by phone, to Tucows, with whom he did not contract at all. However, even if plaintiff were able to establish valid fraud claims based on these assertions, which he likely cannot, given his “click-through” assent to the Tucows DNTA, such allegations are insufficient to void a forum selection clause on the basis of fraud.

Actions capable of overcoming the presumption of validity of a forum selection clause “must be *directly related to that clause*, not the contract more generally.” Person, 456 F.Supp.2d at 494 (citations omitted). The Supreme Court has held that, where a party attempting to defeat a forum-selection clause alleges fraud, courts must look to whether the inclusion of the clause itself was fraudulent:

In The Bremen we noted that forum-selection clauses “should be given full effect” when “a freely negotiated private international agreement [is] unaffected by fraud ...” This qualification does not mean that any time a dispute arising out of a transaction is based upon an allegation of fraud, as in this case, the clause is unenforceable. Rather, it means that an arbitration or forum-selection clause in a contract is not enforceable if *the inclusion of that clause in the contract* was the product of fraud or coercion.

Scherk v. Alberto-Culver Co., 417 U.S. 506, 519 n. 14 (1974) (internal citation omitted) (emphasis in original). In this case, Novak fails to allege any fraud specifically relating to the forum-selection clause in question. Further, there is no indication that the clause

was added to the DNTA in bad faith, or by coercion. Plaintiff therefore has not established grounds for rejecting the clause on the basis of fraud.

### C. UNCONSCIONABILITY

Plaintiff also argues that the DNTA is unconscionable under New York law because he was never provided with an opportunity to view the contract or to consent to its terms. According to plaintiff, he was denied any "meaningful choice" with regard to the selection of Tucows as a registrar, thus demonstrating the contract's unconscionability. (Pl.'s Br., at 40.) However, plaintiff does not actually identify any particular terms of the contract that are substantively unconscionable; instead, he merely reiterates his assertion that he was never given an opportunity to read the contract, a factor that speaks to the agreement's *procedural* unconscionability.

\*11 "Procedural unconscionability involves 'the lack of meaningful choice,' which considers all the circumstances surrounding the contract, including whether each party had a reasonable opportunity to understand the terms of the contract, whether deceptive tactics were employed, the use of fine print, and disparities in education, experience and bargaining power." *Gill v. World Inspection Network Int'l, Inc.*, No. 06-CV-3187 (JFB)(CLO), 2006 U.S. Dist. LEXIS 52426, at \*19 (E.D.N.Y. Jul. 31, 2006) (citing *Nelson v. McGoldrick*, 896 P.2d 1258, 1262 (Wash.1995), and *Gillman v. Chase Manhattan Bank, N.A.*, 534 N.E.2d 824, 828 (N.Y.1988)). While plaintiff maintains that he neither read nor assented to any agreement with Tucows, this Court has found that plaintiff did, in fact, "click-through" his assent to the DNTA. As a result, even if plaintiff failed to read the terms of the contract, he is nevertheless bound by the forum-selection clause. "[I]t is a fundamental principle of contract law that a person who signs a contract is presumed to know its terms and consents to be bound by them." *Paper Express, Ltd. v. Plankuch Maschinen GmbH*, 972 F.2d 753, 757 (7th Cir.1992) (enforcing forum-selection clause where plaintiff had not read the clause prior to signing the contract) (citing 3 Arthur L. Corbin, *Corbin on Contracts* 607 (1989), and 13 Samuel Williston, *Williston on Contracts* 1577 (1988)); see also *Ainsley Skin Care of N.Y., Inc. v. Elizabeth Grady Face First, Inc.*, No. 97-CV-6716 (LAP)(AJP), 1997 U.S. Dist. LEXIS 19102, at \*11 (S.D.N.Y. Dec. 2, 1997) ("[A] businessman acting in a commercial

context, is held to have understood the consequences of his having signed [contracts], which designate [a particular forum] as the appropriate forum for any action arising thereunder. If [the complaining party] did not read them or hire counsel to do so, he is the victim of his own lack of diligence, not [the opposing party's] misconduct.") (quoting *Elite Parfums, Ltd. v. Rivera*, 872 F.Supp. 1269, 1273 (S.D.N.Y.1995) (internal citation and additional citations omitted)); *Weingrad v. Telepathy, Inc.*, No. 05-CV-2024 (MBM), 2005 U.S. Dist. LEXIS 26952, at \*11 (S.D.N.Y. Nov. 7, 2005) ("He is bound by the terms of the forum selection clause even if he did not take the time to read it because 'a signatory to a contract is presumed to have read, understood and agreed to be bound by all terms, including the forum selection clauses, in the documents he or she signed.'") (quoting *Sun Forest Corp. v. Shvili*, 152 F.Supp.2d 367, 382 (S.D.N.Y.2001) (internal citation omitted)).

In addition, although the DNTA is a standard form contract offered to all of Tucows' domain name transfer customers, the forum-selection clause may not be defeated for procedural unconscionability on this basis. The Supreme Court has recognized that where a company conducts business in several states, as in the case of Tucows, a non-negotiated forum-selection clause may be enforced even where it was not the subject of bargaining.<sup>FN10</sup> *Carnival Cruise Lines, Inc.*, 499 U.S. at 593-595; *Rosenfeld v. Port Auth. of N.Y. and N.J.*, 108 F.Supp.2d 156, 164 (E.D.N.Y.2000) (noting that an agreement "cannot be considered procedurally unconscionable, or a contract of adhesion, simply because it is a form contract").

FN10, Novak contends that Tucows should be subject to jurisdiction before this Court because in an unrelated case, *Bennett v. America Online, Inc.*, No. 06-CV-13221, 2007 WL 241318 (E.D.Mich. Jan. 23, 2007), "Tucows had acquired to the jurisdiction of the United States Courts not with standing their forum selection clause." (Pl.'s Supp. Br., at 2.) In *Bennett*, which involved a copyright dispute against defendants America Online, Inc. ("AOL") and Tucows, the Eastern District of Michigan considered whether to transfer the plaintiff's case to Virginia pursuant to 28 U.S.C. § 1404(a), based upon AOL's forum-selection clause. *Bennett*, 2007 WL 241318, at \*1. While not subject to any

agreement with the plaintiff in that case, Tucows nevertheless consented to personal jurisdiction in Virginia. *Id.* at \*6. However, *Bennett* has absolutely no bearing on the instant case, in which the plaintiff directly entered into a DNTA with Tucows, the plaintiff is clearly subject to the forum-selection clause contained within the agreement, and neither defendant has consented to jurisdiction before this Court.

\*12 Finally, the Court cannot find that Novak was so vulnerable or that there was such unequal bargaining power that the contract was procedurally unconscionable, given (1) plaintiff's sophistication in attempting to choose a registrar that would allow him to respond more easily to pending litigation (Am.Compl.¶ 39), (2) his extensive internet and business experience as owner of an extremely popular web company (Am.Compl.¶ 134), and (3) plaintiff's broad computer expertise, acquired over the past thirty years (Novak Decl. ¶ 8).

Therefore, this Court cannot find that the forum selection clause at issue should not be enforced on the basis that Tucows' DNTA was either substantively or procedurally unconscionable.

#### D. PUBLIC POLICY

In *The Bremen*, the Supreme Court stated that forum selection clauses should not be enforced if "enforcement would contravene a strong public policy of the forum in which suit is brought." 407 U.S. at 18 (citing *Boyd v. Grand Trunk W.R. Co.*, 338 U.S. 263 (1949)). Plaintiff alleges that enforcement of the forum selection clause in Tucows' DNTA counters New York state's public policy as expressed in *New York General Business Law* § 349. Section 349 allows the state attorney general to bring civil actions on behalf of the people of New York state in order to enjoin unlawful deceptive acts or practices. *N.Y. Gen. Bus. Law* § 349. In addition, subsection (h) of the statute provides for an individual cause of action on the basis of such acts or practices. *N.Y. Gen. Bus. Law* § 349(h). Plaintiff curiously relies upon this Court's decision in *Gill v. World Inspection Network Int'l, Inc.*, which directly counters his position, in support of the proposition that litigating his case in a foreign forum would contravene Section 349. In *Gill*, the plaintiff argued that enforcement of an arbitral forum selection clause against

franchisees contravened sections of the New York General Business Law that protect franchisees from fraudulent and unlawful practices by franchisors. 2006 U.S. Dist. LEXIS 52426, at \*34-36. This Court held that "New York public policy does not operate to undermine the presumptive validity of the arbitral forum selection clause under the preemptive effect of the [Federal Arbitration Act]." *Id.* at \*35. Likewise, there is nothing in Section 349 that undermines the presumptive validity of forum selection clauses as articulated by the Supreme Court and by this Circuit in *The Bremen*, *Shute*, and *Roby*. See *Person*, 456 F.Supp.2d at 497 ("It is clear, from Second Circuit precedent, however, that far from being against public policy in this Court's jurisdiction, forum selection clauses are considered 'presumptively valid.' ") (citing *Roby*, 996 F.3d at 1363). In fact, New York courts have consistently upheld forum selection clauses in which New York residents would be forced to litigate in another state or country on the basis that such clauses prevent confusion and costly litigation regarding where suits relating to the contract should be brought and defended, and reduce costs to the consumer by limiting the number of fora in which a case may be brought. See, e.g., *Effron*, 67 F.3d at 10 (finding it reasonable for cruise line to select a single venue for passenger suits) (quoting *Shute*, 499 U.S. at 593-94); *Hellex Car Rental Sys., Inc. v. Dollar Sys., Inc.*, No. 04-CV5580, 2005 U.S. Dist. LEXIS 33858, at \*16 (E.D.N.Y. Nov. 9, 2005) ("It is entirely reasonable for [defendant] to require that its franchisees agree to litigate disputes arising from the franchise relationship in Oklahoma, where its corporate headquarters are housed, rather than be required to defend suits in every state where its franchisees may be located.") (citing *Carnival Cruise Lines, Inc.*, 499 U.S. at 593). As plaintiff is unable to show that enforcement of the forum selection clause in question would contravene New York public policy, the Court rejects his contention.

#### E. APPLICABILITY OF FORUM-SELECTION CLAUSE TO NITIN

\*13 Novak also contends that only his claims against Tucows are subject to dismissal pursuant to the forum-selection clause, and thus the case would be severed upon granting a motion to dismiss on this basis. However, this Court has discretion to dismiss the entire lawsuit for improper venue. While it serves only as persuasive authority, this Court finds it notable that

the “Third, Seventh and Ninth Circuits have determined that, in certain circumstances, a non-signatory to a contract may be bound by a forum-selection clause found therein.” *Hay Acquisition Co., Inc. v. Schneider*, No. 04-CV-1236, 2005 U.S. Dist. LEXIS 24490, at \*25 (E.D.Pa. Apr. 29, 2005) (collecting cases). Further, at least two courts within this Circuit have held that “[i]t is well established that a ‘range of transaction participants, parties and non-parties, should benefit from and be subject to forum selection clauses.’” *Weingrad*, 2005 U.S. Dist. LEXIS 26952, at \*15-16 (quoting *Int’l Private Satellite Partners, L.P. v. Lucky Cat Ltd.*, 975 F.Supp. 483, 485-86 (W.D.N.Y.1997) (internal citation omitted)). A non-party to an agreement may be bound by a forum selection clause where the party is “‘closely related’ to the dispute such that it becomes ‘foreseeable’ that it will be bound.” *Hugel v. Corp. of Lloyd’s*, 999 F.2d 206, 209 (7th Cir.1993) (citing *Manetti-Farrow, Inc. v. Gucci Am., Inc.*, 858 F.2d 509, 514 n. 5 (9th Cir.1988), and *Coastal Steel Corp. v. Tilghman Wheelabrator Ltd.*, 709 F.2d 190, 203 (3d Cir.1983)); see also *Weingrad*, 2005 U.S. Dist. LEXIS 26952, at \*15-16 (“A non-party is ‘closely related’ to a dispute if its interests are ‘completely derivative’ of and ‘directly related to, if not predicated upon’ the signatory party’s interests or conduct.”) (quoting *Lipcon v. Underwriters at Lloyd’s*, 148 F.3d 1285, 1299 (11th Cir.1998) (internal citation omitted)). In this instance, plaintiff’s claims against Nitin are nearly identical to those against Tucows. Furthermore, all of plaintiff’s claims arise out of Novak’s single transfer of his domain name, which was effected through both defendants in tandem. It was certainly foreseeable that any claims Novak might raise against Nitin in relation to the transfer could be subject to the terms contained in his agreement with Tucows.<sup>FN11</sup> Novak’s attempt to evade the effect of the forum-selection clause merely by joining Nitin, a non-signatory to the DNTA, therefore fails. See, e.g., *Hodgson v. Gilmartin*, No. 06-CV-1944, 2006 U.S. Dist. LEXIS 73063, at \*45 n. 14 (E.D.Pa. Sept. 18, 2006) (“Plaintiff should ... be prevented from avoiding the impact of a valid forum selection clause by suing [parties] who were not signatories to the Customer Agreement.”); *Am. Patriot Ins. Agency, Inc. v. Mutual Risk Mgt. Ltd.*, 248 F.Supp.2d 779, 785 (N.D.Ill.2003) (“[W]e also reject Plaintiffs’ argument that enforcement of the forum selection clause is precluded by the fact that certain Defendants are not parties to the Agreement. Plaintiffs cannot escape their contractual obligations simply by joining parties who did not sign the contract and then

claiming that the forum selection clause does not apply.”) (citations omitted), *rev’d on other grounds*, 364 F.3d 884, 889 (7th Cir.2004).

<sup>FN11</sup> Moreover, as a third-party beneficiary of the DNTA, Nitin is, “by definition,” “closely related” to the dispute at issue and “foreseeably” bound by the forum-selection clause. *Hugel*, 999 F.2d at 209-10 n. 7 (“While it may be true that third-party beneficiaries of a contract would, by definition, satisfy the ‘closely related’ and ‘foreseeability’ requirements, see e.g., *Coastal Steel*, 709 F.2d at 203 (refusing to absolve a third-party beneficiary from the strictures of a forum selection clause which was foreseeable); *Clinton v. Janger*, 583 F.Supp. 284, 290 (N.D.Ill.1984), a third-party beneficiary status is not required.”); see also Defs.’ Ex. T1, at ¶ 1 (“‘Services’ refers to the domain name registration provided by us as offered through ... the Registration Service Provider [Reseller]”); Defs’ Ex. T1, at ¶ 3 (“As consideration for the Services, you agree to pay the RSP the applicable service(s) fees.”).

\*14 In sum, the Court finds that plaintiff has not demonstrated that enforcement of the forum-selection clause in this case would be unjust or unreasonable. Therefore, the Court finds that plaintiff has failed to demonstrate venue by a preponderance of the evidence, and grants defendants’ motion to dismiss for improper venue.<sup>FN12</sup>

<sup>FN12</sup> Even if the burden to prove venue rested with defendants, rather than plaintiff, that burden would be easily met given the record in this case.

## VI. LANHAM ACT CLAIMS AND PENDENT STATE CLAIMS

Defendants also contend that plaintiff’s Lanham Act claims of trademark infringement, trademark dilution and cybersquatting are fatally defective since it cannot be shown that Nitin or Tucows used Novak’s alleged trademark, “petswarehouse,” “in commerce.” According to defendants, because use of “petswarehouse” “in commerce” is a required element of any potential claim that Novak could assert under the Lanham Act, such claims must be dismissed pursuant

to Fed.R.Civ.P. 12(b)(6). (Nitin's Br., at 1-4 (citing *Savin Corp. v. Savin Group*, 391 F.3d 439 (2d Cir.2004) (requiring "commercial use of the mark in commerce" to establish a trademark dilution claim)); Tucows' Br., at 11-15 (citing *Bosley Medical Institute v. Kremer*, 403 F.3d 672, 678-79 (9th Cir.2005) (use of domain name incorporating plaintiff's mark in website critical of plaintiff does not constitute use in commerce), *Lockheed Martin Corp. v. Network Solutions, Inc.*, 194 F.3d 980, 984-85 (9th Cir.1999) (registrant not liable for contributory infringement by issuing registration of potentially infringing domain names to third parties), and 15 U.S.C. § 1125(d) (requiring "bad faith intent to profit" from a mark to establish civil liability for cybersquatting under the Lanham Act).) Having concluded that venue is improper before this Court, the Court need not address defendants' motion to dismiss the Lanham Act claims or pending state claims for failure to state a cause of action.

## VII. CONCLUSION

For the foregoing reasons, it is hereby ordered that plaintiff's motion to strike is GRANTED in part and DENIED in part. Defendant Tucows' motion to strike is GRANTED.

It is further ordered that both defendants' motions to dismiss on the basis of improper venue are GRANTED in their entirety.

SO ORDERED.

E.D.N.Y., 2007.  
Novak v. Tucows, Inc.  
Not Reported in F.Supp.2d, 2007 WL 922306  
(E.D.N.Y.), 73 Fed. R. Evid. Serv. 331

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## EVIDENCE APPENDIX 004

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C

United States District Court,  
S.D. New York.

**CHAMILIA, LLC**, Plaintiff,  
v.

**PANDORA JEWELRY, LLC**, Defendant.  
No. 04-CV-6017 (KMK).

Sept. 24, 2007.

Dylan David Smith, Esq., James George Goggin, Esq.,  
Verrill & Dana, LLP, Portland, ME, for Plaintiff.

William Robert Hansen, Esq., Gianfranco Gustavo  
Mitrione, Esq., Lathrop & Gage, LC, New York, NY,  
for Defendant.

#### OPINION AND ORDER

KENNETH M. KARAS, District Judge.

\*1 Plaintiff **Chamilia, LLC** (“**Chamilia**” or “**Plaintiff**”), and Defendant **Pandora Jewelry, LLC** (“**Pandora**” or “**Defendant**”), are competing jewelry designers in the cutthroat world of charm bracelet design and manufacture. In a prior action, final judgment on consent was entered for **Pandora** against **Chamilia** on a claim for copyright infringement. See *Pandora Jewelry, LLC v. Chamilia LLC*, No. 03-07587 (S.D.N.Y. Nov. 26, 2003) [hereinafter *Pandora I*]. Nevertheless, **Chamilia**, the conceding party in the prior action, bravely brings this suit accusing **Pandora** of being “maliciously engaged in a smear campaign to destroy” Plaintiff’s business by having “publicly accused [**Chamilia**’s] products of infringing [**Pandora**’s] patent rights.”

The Complaint enumerates seven substantive counts of the action. The first two are claims under federal statutory law: (1) the making of misleading commercial advertising or promotion statements about Plaintiff’s products in violation of Section 43 of the Lanham Act, 15 U.S.C. § 1125(a)(1)(B); and (2) false patent marking in violation of 35 U.S.C. § 292. In addition, plaintiff states five New York common law claims: (3) slander of title; (4) defamation; (5) business and

product disparagement; (6) “tortious interference with advantageous relationships;” and (7) unfair competition. Plaintiff also seeks a declaratory judgment finding that Plaintiff is not in violation of Defendant’s patent and enjoining Defendant from initiating or threatening patent litigation against Plaintiff.

Defendant moves for summary judgment on all claims, and also moves to strike as inadmissible certain evidence submitted in support of Defendant’s motion.

For the reasons stated herein, Defendant’s motion for summary judgment is GRANTED IN ITS ENTIRETY, and its motion to strike inadmissible evidence is DENIED as moot.

#### I. Background

##### A. Defendant’s Entry into the United States Market

Defendant is a jewelry company in the business of creating and selling bracelets featuring silver and gold beads. (Def.’s Rule 56.1 Statement of Undisputed Material Facts ¶ 1 (“Def.’s 56.1”).) Defendant created the jewelry designs at issue in 2000, and the designs are protected by Danish copyright law. (*Id.* ¶ 3.) In 2002, Defendant began offering its jewelry for sale in the United States by distributing its copyrighted catalogs and sales information.<sup>FN1</sup> (*Id.* ¶ 4; Pl.’s Opposing Statement of Material Facts and Statement of Additional Material Facts 56.1 ¶¶ 4-5 (“Pl.’s 56.1”).) Defendant obtained certificate registrations from the U.S. Copyright Office that were effective September 4, 2003. (Def.’s 56.1 ¶ 3.)

<sup>FN1</sup>. The Parties disagree about the month of 2002 in which Defendant began selling in the U.S. market. (Pl.’s 56.1 ¶¶ 4-5; Def.’s 56.1 ¶ 4-5.) The dispute is immaterial.

Claiming that its principal had invented a unique method of constructing its jewelry, Defendant filed a U.S. patent application on July 21, 2003, which was assigned Application No. 10/623,641. (*Id.* ¶ 6-7.) After this filing, Defendant began to state “patent pending” on its Pandora jewelry promotional and advertising

material. (*Id.* ¶ 8.) When the U.S. Patent and Trademark Office (PTO) published the application on July 29, 2004, defendant also provided notice of the application to various other industry members, including Plaintiff. (*Id.* ¶ 11.)

#### B. Prior Related Litigation

\*2 At the San Francisco International Gift Fair on August 26 and 27, 2003 ("2003 SF Show"), Defendant's president, Michael Lund Petersen ("Petersen"), visited Plaintiff's booth and spoke with Plaintiff's sales representative, Lisa Whirlow ("Whirlow"). (Def.'s 56.1 ¶¶ 14-16.) Petersen believed that the jewelry Plaintiff was offering for sale was copied from Defendant's copyrighted products. (*Id.* ¶¶ 14-15.) According to Defendant, Petersen told Whirlow that Defendant owned a "worldwide copyright" for its designs, that Plaintiff's jewelry was an illegal copy of Defendant's designs, and that Defendant had a patent application pending for the method of constructing the bracelets. (*Id.* ¶¶ 20-27.) According to Plaintiff, Petersen told Whirlow that Defendant had a "worldwide patent" and intended to use the patent to "shut [her] down." (Pl.'s 56.1 ¶¶ 20-23, 25-27.) Defendant denies Petersen stated that anyone would be "shut down." (Def.'s 56.1 ¶ 27.)

Also, on August 26, 2003, Petersen instructed **Pandora's** counsel to send **Chamilia** a cease and desist letter on the basis of Plaintiff selling items that potentially infringed **Pandora's** intellectual property rights. (Def.'s 56.1 ¶¶ 28-29.) **Pandora** then filed suit against **Chamilia** on copyright infringement and other grounds in the Southern District of New York on September 25, 2003. **Pandora I**. Judge Sprizzo issued a temporary restraining order on October 2, 2003, and final judgment on consent of the parties was entered on November 25, 2003, in favor of **Pandora**, with **Chamilia** ordered to destroy its inventory of infringing goods and to cease manufacture, promotion, and sale of the infringing jewelry. *Id.*

**Pandora** filed a second action premised on the sale of **Chamilia** jewelry infringing its copyright, this one in November 2003 against **Chamilia** retailer Jason Adams ("Adams") in the District of New Jersey. **Pandora Jewelry LLC v. Adams**, No. 03-5220 (D.N.J. Jan. 26, 2004). That court approved a settlement on January 26, 2004, by which on consent of the parties it permanently enjoined Adams from selling infringing

jewelry. (Def.'s 56.1 ¶¶ 37-38 & Ex. J.) Plaintiff claims that it stopped producing the infringing jewelry designs and developed new designs for its jewelry after these judgments were entered. (Pl.'s 56.1 ¶¶ 23, 30, 104-07.)

#### C. Defendant's Alleged Trade Show Statements

In February 2004, Defendant was an exhibitor at the Winter International Gift Show in San Francisco ("2004 SF Show"), represented by employee Steve Glueck ("Glueck"). (Def.'s 56.1 ¶ 51.) While at the show, Glueck discussed litigation between the parties with Whirlow, who was there representing Plaintiff. (*Id.* ¶ 52; Pl.'s 56.1 ¶ 52.) Whirlow expressed regret that Plaintiff had engaged in copying Defendant's designs. (Def.'s 56.1 ¶ 53; Pl.'s 56.1 ¶ 53.) Whirlow has stated her recollection to be that Glueck told her "**Pandora** had patent rights violated by **Chamilia**." (Pl.'s 56.1 ¶ 55; Decl. of James G. Goggin in Supp. of **Chamilia, LLC's** Mem. in Opp'n to Def.'s Mot. for Summ. J. ("Goggin Decl.") Ex. H ("Whirlow Decl.") (stating same in declaration filed with PTO).) Glueck remembers differently, and has stated that he told Whirlow that **Pandora** had filed a patent, that the patent application was pending, and that, if issued, **Pandora** would seek to protect its rights. (Def.'s 56.1 ¶ 55.) After the 2004 SF Show, Glueck received a call from an individual identifying himself as the vice president of **Chamilia**, who accused Glueck of telling a customer that Defendant would "close down" Plaintiff based on patent rights. (*Id.* ¶ 57.) Glueck told the **Chamilia** caller that the customer must have "misunderstood" him and he now denies having said that **Pandora** would "close down **Chamilia** with the **Pandora** patent." (*Id.* ¶¶ 57, 59; Pl.'s 56.1 ¶ 57.)

\*3 Agents of the parties met again on March 14, 2004, at the Chicago Gift Show ("2004 Chicago Show"), another large trade show. (Pl.'s 56.1 ¶ 39.) At a display booth there for jewelry manufacturer LAD Group, Jody Henderson ("Henderson"), then a sales representative for Defendant and other vendors, and Kathy Shaw-Riley ("Shaw-Riley"), a sales representative for Plaintiff and other vendors, engaged in a conversation, in which they discussed litigation between **Pandora** and **Chamilia**. (Def.'s 56.1 ¶¶ 39-48; Pl.'s 56.1 ¶¶ 40-48.) The Parties contest the contents of the conversation, as do the individuals party to it. (Def.'s 56.1 ¶ 42; Pl.'s 56.1 ¶ 42.) According to Shaw-Riley, Henderson told her that "there is a lawsuit against

**Chamilia** for a patent infringement and we're going to put you out of business." (Pl.'s 56.1 ¶ 43.) According to Henderson, the two discussed only **Pandora's** November 2003 copyright lawsuit against **Chamilia** (*Pandora I*), and she never mentioned patents or the status of **Pandora's** patent application for its jewelry designs. (Def.'s 56.1 ¶ 46.) According to Defendant, Henderson had developed a practice of responding to customer inquiries about lawsuits between **Pandora** and **Chamilia** by providing a copy of an item that had run in *Gift Beat* magazine indicating that **Pandora** had a "patent-pending on its bracelet design." (*Id.* ¶¶ 10, 47-48.)

At a trade show in Atlanta from July 9 to 13, 2004 ("2004 Atlanta Show"), Defendant had a booth managed by Knud Hostrup ("Hostrup"), its sales manager. (*Id.* ¶ 60.) The parties agree that, at the show, Hostrup encountered a representative for Plaintiff, whom he told that Plaintiff's products were inferior to Defendant's and that Plaintiff's products were not compatible with Defendant's. (*Id.* ¶ 69.)

At yet another trade show, America's Mart, in January 2005 in Atlanta ("2005 Atlanta Show"), Petersen spoke with the owner of the Highlands West Gift Company, Dawn Moore ("Moore"). (Pl.'s 56.1 ¶ 117.) As described by Moore, Petersen told her that Plaintiff's jewelry was a "cheap imitation" of Defendant's, that it did not work properly, that the design was stolen, and that Defendant had a patent pending. (*Id.* ¶ 118.) Jeffrey Julkowski ("Julkowski"), Plaintiff's president, alleges that also at this show he personally heard Petersen telling retail store owners that Defendant was shutting down Plaintiff with a patent and that it would sue Plaintiff's customers for their sales.<sup>FN2</sup> (*Id.* ¶ 119.)

<sup>FN2</sup>. On motion for summary judgment, the Court may consider only admissible evidence. See Fed.R.Civ.P. 56(e). Julkowski cannot give evidence regarding the truth of statements made to him. See Fed.R.Evid. 801(c). Julkowski's claim to have heard Petersen tell customers that Pandora was shutting down Chamilia would be admissible, however, because Julkowski has personal knowledge of the statements and Plaintiff is not offering them for the truth of the matter asserted. See 5 Weinstein's Federal Evidence § 801.11 (2000) ("If the significance of an

offered statement lies solely in the fact that it was made, no issue is raised as to the truth of anything asserted.").

#### *D. Defendant's Alleged Phone Calls to Chamilia Customers*

Plaintiff alleges that Petersen repeatedly telephoned Carlos Italian Charm Shop in Rancho Cordova, California, between March and May 2004, and that he spoke approximately five times during this period with its owner, Donna-Renee Carlos ("Carlos"). (Pl.'s 56.1 ¶ 108.) During these calls, Petersen told Carlos that Chamilia was counterfeiting Pandora's jewelry and had "stolen his patent." (*Id.* ¶ 110.) Carlos told Petersen to stop calling in May 2004, and she next heard from him by way of an answering machine message on August 16, 2004, stating in part:

\*4 Hi Donna. This is Michael Lund [Petersen] with Pandora Jewelry. I am the President. I need to talk to you about something. Could you please give me a call before my lawyer sends you a letter? I just want to talk to you myself in regards to the Chamilia you're selling. Cause now our patent application that has been publicized and you are selling something that violates my patent and therefore I can sue you for your profits and legal expenses. So please give me a call so maybe we can clear this up in a good fashion.

(*Id.* ¶ 109-12.) Carlos received a letter from Defendant's attorney on August 19, 2004, stating "Pandora is now aware that Carlos Italian Charm Shop is offering to sell or selling necklaces and bracelets ... which appear to utilize substantially the same construction and perform the same function as Pandora's patent pending for its necklaces and bracelets." (Pl.'s 56.1 ¶ 113.)

In a second set of alleged telephone incidents beginning on April 15, 2005, Hostrup allegedly telephoned Michele Vogel ("Vogel"), owner of the West End Gallery in East Aurora, New York, a store that sells both Plaintiff's and Defendant's products. (*Id.* ¶¶ 121-22.) Hostrup told Vogel that Defendant had a "patent lawsuit" against Plaintiff and that "Pandora was waiting for its patent and would shut Chamilia down once it received the patent." (*Id.* ¶¶ 12; Decl. of Michele C. Vogel ("Vogel Decl.") ¶ 2.) Hostrup also allegedly told Vogel that, as a seller of Chamilia je-

welry, she could potentially have her store “shut down.” (*Id.*) Two weeks later, Petersen allegedly called Vogel a number of times over two days and told her that she would not be able to carry both Chamilia and Pandora products. (Pl.’s 56.1 ¶ 125.)

#### *E. Defendant’s Terms and Conditions and April 2005 Letters*

On or about September 16, 2004, Defendant sent letters to its reseller customers revising the terms and conditions of their relationship (“T & C letters”) and requiring each reseller to sign a pledge “agree[ing] not to sell any other brand of modifiable jewelry which may appear to utilize substantially the same construction and perform the same function as described in Pandora’s patent application.” (Pl.’s 56.1 ¶ 115.) Approximately 449 of these letters were signed. (*Id.* ¶ 150.) Subsequently, on April 12, 2005, Glueck sent another letter to Defendant’s vendors (“April 2005 letters”), stating that “the Chamilia sales force has been trying to strong-arm some of our customers into buying their product” and reminding vendors of their obligation “to not carry the knock-off companies.” (*Id.* ¶¶ 127-28.)

#### *F. Alleged Effects on Plaintiff’s Business*

Plaintiff identifies a total of thirty-six different reseller customers who it alleges Defendant told it owned a patent with which it would put Plaintiff out of business. (*Id.* ¶ 129.) Plaintiff alleges that some of these reseller customers told Plaintiff’s representatives that they chose not to carry Chamilia products based on Pandora’s “patent infringement” allegations. (*Id.* ¶ 130.) Additionally, Plaintiff represents that numerous Chamilia reseller customers ceased to purchase Chamilia product between February and July 2004, which Plaintiff asserts is proof that Pandora’s statements during that time period were affecting its customers. (*Id.* ¶¶ 132-49.)

#### *G. Procedural History*

\*5 Plaintiff filed the Complaint on August 3, 2004. On September 3, 2004, this case was reassigned to the undersigned. Defendant filed the Answer on September 22, 2004. Defendant moved for summary judgment on all counts and Plaintiff timely responded.

## *II. Discussion*

### *A. Standard of Review*

Summary judgment may be granted where it is shown that there is “no genuine issue as to any material fact and that the moving party is entitled to a judgment as a matter of law.” Fed.R.Civ.P. 56(c); see also *Celotex Corp. v. Catrett*, 477 U.S. 317, 322-23 (1986). The Court must view all evidence in the light most favorable to the non-moving party and must draw all reasonable inferences in the non-movant’s favor. See *Tufariello v. Long Island R.R. Co.*, 458 F.3d 80, 85 (2d Cir.2006). A party seeking summary judgment bears the burden of establishing that no genuine issue of material fact exists. See *Adickes v. S.H. Kress & Co.*, 398 U.S. 144, 157 (1970); see also *Segal v. City of New York*, 459 F.3d 207, 211 (2d Cir.2006). “Once the moving party has made a properly supported showing sufficient to suggest the absence of any genuine issue as to a material fact, the nonmoving party, in order to defeat summary judgment, must come forward with evidence that would be sufficient to support a jury verdict in his favor.” *Goenaga v. March of Dimes Birth Defects Found.*, 51 F.3d 14, 18 (2d Cir.1995). “The motion ‘will not be defeated merely ... on the basis of conjecture or surmise.’” *Id.* (quoting *Bryant v. Maffucci*, 923 F.2d 979, 982 (2d Cir.1991)); see also *McPherson v. N.Y. City Dep’t of Educ.*, 457 F.3d 211, 215 n. 4 (2d Cir.2006) (“[S]peculation alone is insufficient to defeat a motion for summary judgment.”). The materiality of the facts considered by the court will be governed by substantive law. See *Anderson v. Liberty Lobby, Inc.*, 477 U.S. 242, 248 (1986). At summary judgment, the court is not charged with weighing the evidence and determining its truth, but with determining whether there is a genuine issue for trial. See *Castro v. Met. Transp. Auth.*, No. 04-CV-1445, 2006 WL 1418585, at \*2 (S.D.N.Y. May 23, 2006); *Westinghouse Elec. Corp. v. N.Y. City Transit Auth.*, 735 F.Supp. 1205, 1212 (S.D.N.Y.1990). A court’s goal should be to “isolate and dispose of factually insupportable claims.” *Celotex*, 477 U.S. at 323-24.

### *B. Lanham Act Claim*

Section 43(a) of the Lanham Act, codified in Title 15, Chapter 22, of the United States Code, makes those who use false or misleading representations of fact that “in commercial advertising or promotion, misre-

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present[ ] the nature, characteristics, qualities, or geographic origin of his or her or another person's goods" liable for civil damages to "any person who believes that he or she is or is likely to be damaged by such act." 15 U.S.C. § 1125(a)(1)(B). The Lanham Act is a remedial statute and therefore is to be "broadly construed." See *Gordon & Breach Sci. Publishers, S.A. v. Am. Inst. of Physics*, 859 F.Supp. 1521, 1532 (S.D.N.Y.1994) (citing *PPX Enterprises, Inc. v. Autofidelity, Inc.*, 746 F.2d 120, 125 (2d Cir.1984)). Not every false representation is actionable, however; to violate the Lanham Act, the alleged false representation must "misrepresent[ ] an inherent quality or characteristic of the product." *S.C. Johnson & Son, Inc. v. Clorox Co.*, 241 F.3d 232, 238 (2d Cir.2001) (internal quotation omitted).

\*6 Plaintiff alleges that Defendant falsely claimed it had a patent on its jewelry designs when it did not, and falsely claimed that Chamilia jewelry was both a "knock-off" and a "cheap imitation" that infringed its purported patent. Plaintiff alleges that these statements were made at trade shows, in phone calls to Plaintiff's customers, and in a letter that Defendant sent to its own customers. To prevail on this cause of action, Plaintiff must show: (1) that these statements were false; (2) that they were used in commercial advertising or promotion; and (3) that this advertising or promotion misrepresents the nature, characteristics, qualities, or geographic origin of an inherent quality or characteristic of Plaintiff or Defendant's products. See 15 U.S.C. § 1125(a)(1)(B). Defendant contends that Plaintiff has failed to show Defendant's statements were false, or that those statements constituted "commercial advertising or promotion" within the meaning of the Lanham Act.

### 1. Falsity

To prove falsity for the purposes of a false advertising claim, "a plaintiff must show that either: 1) the challenged advertisement is literally false, or 2) while the advertisement is literally true it is nevertheless likely to mislead or confuse consumers." *Johnson & Johnson Merck Consumer Pharms. Co. v. Smithkline Beecham Corp.*, 960 F.2d 294, 297 (2d Cir.1992); see also *McNeil-PPC, Inc. v. Pfizer, Inc.*, 351 F.Supp.2d 226, 248 (S.D.N.Y.2005). "The falsity of advertising is an issue of fact." *Gordon & Breach Sci. Publishers*, 859 F.Supp. at 1532; see also *Mylan Pharms., Inc. v. Proctor & Gamble Co.*, 443 F.Supp.2d 453, 459

(S.D.N.Y.2006) ("The meaning of an advertisement may present an issue of fact."). Here, Plaintiff alleges that all of Defendant's statements were literally false.<sup>FN3</sup>

FN3. Plaintiff also argued in its brief that Defendant had an intent to deceive consumers. Intent to deceive is not an element of a Lanham Act claim. See *Genesee Brewing Co. v. Stroh Brewing Co.*, 124 F.3d 137, 149 (2d Cir.1997) ("[A] plaintiff may recover for unfair competition in violation of federal law without a showing of bad faith."); *Johnson & Johnson v. Carter-Wallace, Inc.*, 631 F.2d 186, 189 (2d Cir.1980) ("[Section 43(a)] differs from the common law action for trade disparagement in two important respects: (1) it does not require proof of intent to deceive ....").

As to Defendant's statements regarding its alleged patent, it is clear that there is a dispute over a material fact, namely, whether Defendant's representatives said that Pandora had a "patent" or whether they said that Pandora had a "patent pending." Specifically, as outlined above, there is considerable disagreement on this issue, with Defendant's representatives stating that they assiduously used the phrase "patent pending," while Plaintiff's representatives insist that they remember talk of a "worldwide patent." If Defendant's representatives stated they had a patent on technology that Chamilia was using, this statement would be false because Pandora did not receive its patent until March 7, 2006. (Transcript of Oral Argument at 3:9, July 20, 2006.) If Defendant's representatives stated that Pandora had a "patent pending," that statement would be true, as Pandora had filed its patent application on July 21, 2003.<sup>FN4</sup> Generally, before a court can determine the truth or falsity of an advertisement's message, it must first determine what message was actually conveyed to the viewing audience." *Johnson & Johnson*, 960 F.2d at 298. Thus, as what was said is clearly material to the issue of falsity, it is an issue of fact that must be resolved by the jury.

FN4. Plaintiff, in its reply brief, wildly speculates that even if Defendant did use the words "patent pending," those statements were intentionally false because Defendant "knew from the outset that its patent application was improper." Pandora submitted its

patent application to the PTO on July 21, 2003. According to Plaintiff, Defendant would be ineligible for its patent if it marketed its product more than one year prior to the filing of its patent application.

In support of its claim, Plaintiff has submitted a series of archived web pages from an Internet service called the "Wayback Machine," which Defendant moves to strike. This putative evidence suffers from fatal problems of authentication under Fed.R.Evid. 901. See *Novak v. Tucows, Inc.*, No. 06-CV-1909, 2007 WL 922306, at \*5 (E.D.N.Y. March 26, 2007) (striking Wayback Machine evidence "in the absence of any authentication of plaintiff's internet printouts, combined with the lack of any assertion that such printouts fall under a viable exception to the hearsay rule"). Even if such evidence were admissible, the pages preceding the one-year period (that is, the two pages dated June 1, 2002) do not contain Defendant's products, but only a link that Plaintiff contends might have lead to a page with Defendant's products. In short, they would not prove anything. Thus, Defendant's motion to strike this evidence is denied as moot.

\*7 Plaintiff also alleges that Glueck's statement in the April 2005 letters that Chamilia was a "knock-off company," as well as Petersen's statements at trade shows that Chamilia products were a "cheap imitation" of Pandora products, were literally false. Defendant argues that: (1) the favorable judgment it received in *Pandora I* is proof that its statements are true; and (2) the industry understanding of "knock-off," a product copied from a different product, accurately describes Chamilia's product's relationship with Pandora's. No reasonable juror could find for Plaintiff that the statements made in these letters were false.

The April 2005 letters do not describe Chamilia's current product line as a "knock-off." Rather, they warn retailers that each has agreed not to carry any products similar to Pandora's products. Though the letters use disparaging terminology, describing Chamilia as a "knock-off compan[y]," Chamilia in fact signed a consent decree in prior litigation where it

admitted to creating goods that infringed on Defendant's designs. See *Pandora I*. Thus, no reasonable juror could find that the description of Plaintiff as a "knock-off company" is false. In addition, the thrust of the April 2005 letters was merely to remind vendors of the exclusivity of their sales obligations to Defendant. This does not speak to the quality of Chamilia's products or any other issue contemplated by the Lanham Act. Therefore, although Plaintiff has raised a material issue of fact regarding the falsity of Defendant's representatives' alleged statements regarding Defendant's patent, it has failed to carry this burden with regard to the statements made in the April 2005 letters.

## 2. Use in Commercial Advertising or Promotion

"In this circuit, to constitute 'commercial advertising or promotion' under the Lanham Act, a statement must be: (1) 'commercial speech,' (2) made 'for the purpose of influencing consumers to buy defendant's goods or services,' and (3) 'although representations less formal than those made as part of a classic advertising campaign may suffice, they must be disseminated sufficiently to the relevant purchasing public.'" See *Gmurzynska v. Hutton*, 355 F.3d 206, 210 (2d Cir.2004) (quoting *Fashion Boutique of Short Hills, Inc. v. Fendi USA, Inc.*, 314 F.3d 48, 56-58 (2d Cir.2002)). Promotion, however, is distinct from advertising. "Although advertising is generally understood to consist of widespread communication through print or broadcast media, 'promotion' may take other forms of publicity used in the relevant industry, such as displays at trade shows and sales presentations to buyers." *Fashion Boutique*, 314 F.3d at 57. Here, Defendant does not challenge that the alleged statements were commercial speech and that they were made for the purpose of influencing consumers of its goods and services. Rather, Defendant argues that its statements were not sufficiently disseminated to constitute "advertising or promotion" under the Lanham Act. (Mem. of Law in Supp. of Def.'s Mot. for Summ. J. ("Def.'s Mem.") 6-8.)

\*8 In general, proof of isolated disparaging statements is insufficient to state a Lanham Act claim. See *Fashion Boutique*, 314 F.3d at 57 ("Proof of widespread dissemination within the relevant industry is a normal concomitant of meeting [the commercial advertising and promotion] requirement. Thus, businesses harmed by isolated disparaging statements do not have redress

under the Lanham Act; they must seek redress under state-law causes of action.”); see also *Profit Sound Servs. v. Guzzi*, 349 F.Supp.2d 722, 729 (S.D.N.Y.2004) (holding isolated statement to a single customer insufficient to state Lanham Act claim); *Cartier, Inc. v. Four Star Jewelry Creations, Inc.*, 348 F.Supp.2d 217, 250 (S.D.N.Y.2004) (holding posting of plaintiff’s advertisements on Defendant’s walls insufficient dissemination to state Lanham Act claim). However, no minimum number of statements is required. Rather, the “touchstone of whether a defendant’s actions may be considered ‘commercial advertising or promotion’ under the Lanham Act is that the contested representations are part of an organized campaign to penetrate the relevant market.” *Fashion Boutique*, 314 F.3d at 57.

Defendant argues that Plaintiff has not provided sufficient proof of dissemination to survive summary judgment. Plaintiff responds that: (1) statements made at trade shows constitute commercial promotion per se, and (2) it is undisputed that the April 2005 letters sent by Defendant reached more than 400 Pandora jewelry retailers, some of whom were also Chamilia retailers, and that this is sufficient evidence for a rational jury to find that Defendant engaged in “commercial advertising or promotion” under the Lanham Act.

Plaintiff’s first argument is unavailing. Plaintiff cites dicta from the Court of Appeals for the Fifth Circuit (itself quoting dicta from a district court in yet another circuit) that states: “ ‘public dissemination of false information to retailers at a trade show would most likely constitute ‘commercial advertising and promotion.’ ” \* \* *Seven-Up Co. v. Coca-Cola Co.*, 86 F.3d 1379, 1385 (5th Cir.1996) (quoting *American Needle & Novelty, Inc. v. Drew Pearson Mktg., Inc.*, 820 F.Supp. 1072, 1078 (N.D.Ill.1993)). While displays at a trade show certainly *could* constitute commercial advertising or promotion, the law of this Circuit requires an inquiry into whether “the contested representations [were] part of an organized campaign to penetrate the relevant market.” See *Fashion Boutique*, 314 F.3d at 57. Thus, Plaintiff’s Lanham Act claim will survive if it has raised a material question of fact as to whether Defendant’s statements, including the trade show statements and the April 2005 letters, were part of an organized campaign to penetrate the market for charm bracelets.

When evaluating whether a party’s statements were “part of an organized campaign to penetrate the relevant market,” a number of factors merit consideration. In *Fashion Boutique*, the Second Circuit considered: (1) the number of alleged statements; (2) to whom the statements were made; (3) where the statements were made; and (4) the size of the relevant market. 314 F.3d at 58. Applying these factors here, Plaintiff has not produced sufficient evidence for a reasonable jury to conclude that Defendant’s statements were part of an organized campaign to penetrate the market.

<sup>9</sup> Initially, the T & C letters and the April 2005 letters sent by Pandora to its retailers do not constitute advertising or promotion. The statements therein were made to existing Pandora retailers, who were under contract not to sell products that would compete with Pandora products. (Supplemental Declaration of Steve Glueck Ex. N.) The agreement between Pandora and its retailers was not limited to competing products that infringed Pandora’s designs; rather it prohibited Pandora retailers who signed the agreement from selling jewelry that utilized substantially the same construction and performed the same function as Pandora’s products. (*Id.*) Because the T & C letters are designed to structure nascent or existing business relationships, but are in any case not a solicitation of new business, they do not meet the prong of the *Fashion Boutique* test requiring “commercial advertising or promotion” to be made “for the purpose of influencing consumers to buy defendant’s goods or services.” 314 F.3d at 56-58. Similarly, the April 2005 letters were sent in response to queries from existing retailers about Chamilia sales tactics. (*Id.*) The statements were not public and were sent directly to retailers who had signed agreements with Pandora. Although Pandora sent them to a large number of retailers, more than 400, it sent them only to the portion of the relevant market with which it already had exclusive sales agreements. If communications between two parties with an exclusive sales agreement inherently constituted commercial advertising and promotion under the Lanham Act, the parties to the agreement could never communicate to each other their opinions on when a breach had occurred without fearing liability under the Act. There is no authority that supports such a conclusion. Moreover, as noted, there was nothing in these letters that was actionable under the Lanham Act.

Plaintiff has offered admissible evidence of only four



allegedly disparaging statements made by Defendant's representatives at trade shows: (1) Glueck's statement to Whirlow at the 2004 SF Show; (2) Henderson's statement to Shaw-Riley at the 2004 Chicago Show; (3) Hoststrup's statement to a Chamilia Representative at the 2004 Atlanta Show; and (4) Petersen's comments to Moore at the 2005 Atlanta Show. In addition to the statements made at trade shows, Plaintiff offered evidence of two phone calls made by Defendant's representative to Plaintiff's customers. Because the Court finds that the T & C letters and the April 2005 letters to retailers did not contain any actionable statements, Plaintiff can at most claim only this handful of, that is six, disparaging comments. While neither party has produced evidence of the precise size of the jewelry market or the number of potential jewelry retailers, it is clear that the market involves hundreds, if not thousands, of customers.

In *Fashion Boutique*, the Second Circuit held that "twenty-seven oral statements regarding plaintiff's products in a marketplace of thousands of customers" were insufficient "to satisfy the requirement that representations be disseminated widely." 314 F.3d at 58. The parties in *Fashion Boutique* were rival retailers of luxury handbags and plaintiff there alleged that defendant's retail sales personnel had made disparaging remarks to customers about the products sold by plaintiff. In this case, there are fewer statements at issue than in *Fashion Boutique*. Plaintiff has alleged only six statements, most directed at a single individual, and the impact of the statements is presumptively de minimis. Even if the relevant market, jewelry retailers, is in fact be smaller than that for the handbags in *Fashion Boutique*, taken as a whole, a rational jury could not find that Defendant's "representations [were] part of an organized campaign to penetrate the relevant market." *Fashion Boutique*, 314 F.3d at 57. Therefore, summary judgment for Defendant on Plaintiff's Lanham Act claim is granted.

### C. False Patent Marking

\*10 Plaintiff also alleges that Defendant violated 35 U.S.C. § 292 by falsely advertising that it had a patent on its designs, when in fact it merely had a patent pending. Section 292 mandates a fine against "[w]hoever marks upon, or affixes to, or uses in advertising in connection with any unpatented article, the word 'patent' or any word or number importing that the same is patented, for the purpose of deceiving

the public ...." To state a cause of action for false patent marking, a plaintiff must show both: (1) advertising or use of the word "patented" in connection with a device that is not patented; and (2) intent to deceive. See *Accent Designs, Inc. v. Jan Jewelry Designs, Inc.*, 827 F.Supp. 957, 968 (S.D.N.Y.1993); see also *Sadler-Cissar, Inc. v. Commercial Sales Network, Inc.*, 786 F.Supp. 1287, 1296 (N.D. Ohio 1991) ("Requisites for liability under § 292 include that the advertising or use of the word 'patented' be made in conjunction with a device which is not patented and an intent to deceive."). Because Section 292 is, unlike the Lanham Act, a penal statute, it must be strictly construed, and, as such, an intent to deceive will not be inferred from statements that may have been the result of inadvertence or mistake. See *Blank v. Pollack*, 916 F.Supp. 165, 173 (N.D.N.Y.1996).

Also unlike the Lanham Act, Section 292 applies only to "advertising;" it does not encompass "promotion." Thus, "the expression 'uses in advertising' cannot refer to any and all documents by which the word 'patent' is brought to the attention of the public; it can only refer to use of the word 'patent' in publications which are designed to promote the allegedly unpatented product, namely, advertisements." *Accent Designs*, 827 F. Supp. at 968-69. "Advertising" is defined as "the action of calling something ... to the attention of the public especially] by means of printed or broadcast paid announcements." *Webster's Third New International Dictionary* (1993). Here, the only alleged statements that include the allegedly false mark, "patent," are two remarks of Defendant's representatives at trade shows<sup>85</sup> and one phone call from Defendant's representatives to retailers. These statements were all one-on-one conversations, and there is no evidence that they were designed to promote Defendant's product to the public-certainly not by "paid announcements." Though courts interpreting Section 292 have sometimes construed the word "advertising" broadly, see *Accent Designs*, 827 F. Supp. at 969 (finding legend on defendant's invoices to be "use in advertising" because they "serve the function of advertising by targeting a specific market, trade, or class of customers"), there is no case law suggesting that the three statements at issue would meet any definition of advertising. Defendant's alleged statements that it had a "patent" were made primarily to representatives of the Plaintiff, not to consumers or purchasers of Plaintiff's or Defendant's products. Because no rational jury could find that these three isolated statements constitute "advertising" under Section 292, summary

judgment in favor of Defendant on Plaintiff's false patent marking claim is granted. See *Gleason Works v. Oertlikon Geartec, A.G.*, 141 F.Supp.2d 334, 341 (W.D.N.Y.2001) (granting summary judgment where no material issue of fact was raised as to whether defendant's statements were commercial advertising).

FN5. These are the remarks at the 2004 SF Show and the 2005 Atlanta Show. As to the 2004 Chicago Show, the evidence is only that a representative of Defendant told a representative of Plaintiff that Defendant had filed a lawsuit for patent infringement. Although this statement clearly implies that Defendant had a patent, it does not identify any specific product. As to the 2004 Atlanta Show, there is no evidence that Defendant's representative there told anyone that Defendant had a patent.

#### D. Slander of Title

\*11 To establish slander of title under New York law, a plaintiff must demonstrate: "(1) a communication falsely casting doubt on the validity of [the] complainant's title, (2) reasonably calculated to cause harm, and (3) resulting in special damages." 39 *Coll. Point Corp. v. Transpac Capital Corp.*, 810 N.Y.S.2d 520, 521 (App.Div.2006) (internal quotation omitted). As to the first element, both the Second Circuit and New York state courts have considered allegations of patent infringement actionable as slander of title since the turn of the last century. See *W. Elec. Co. v. Pacent Reprod. Corp.*, 42 F.2d 116, 119-20 (2d Cir.1930); *Palmer v. Travers*, 20 F. 501, 501 (C.C.S.D.N.Y.1884) (applying New York law); *Wittmann Bros. v. Wittmann Co.*, 151 N.Y.S. 813, 816-17 (Sup.Ct.1914) (discussing allegation of patent infringement as basis for slander of title claim). As Defendant's alleged statements that it possessed a patent and that Plaintiff's goods infringed on that patent are nearly identical to those in *Wittmann Brothers*, Plaintiff has raised a material issue of fact as to the first element.<sup>FN6</sup>

FN6. The material issues of fact in dispute encompass only those alleged statements that Plaintiff's product violates Defendant's "patent." They do not include the statements that Plaintiff's company was a "knock-off company" or that its product was a "knock-off,"

as such statements do not impugn Plaintiff's title or ownership of its product. These statements relate only to the quality of Plaintiff's products and though such a statement is potentially actionable as product disparagement, discussed *infra*, it is not slander of title. See *Ruder & Finn Inc. v. Seaboard Sur. Co.*, 422 N.E.2d 518, 521-22 (N.Y.1981) (discussing evolution of product disparagement from slander of title under New York law). Thus, Plaintiff has raised issues of material fact by its evidence of the three trade show statements where a patent was discussed and of the phone calls from Petersen to Carlos and Vogel; there is no material issue, however, with regard to Horstrup's statement at the 2004 Atlanta Show or the T & C letters and the April 2005 letters.

The second element of slander of title is that the statements must have been reasonably calculated to cause harm. In other words, Plaintiff must demonstrate that Defendant acted with malice. See *Modulars by Design, Inc. v. DBI Devel. Corp.*, 571 N.Y.S.2d 168, 170 (App.Div.1991) ("We also agree that the cause [ ] of action alleging slander of title ... [is] facially defective, as [it] fails to allege malice ....") (citing 5 Warren's *Weed*, New York Real Property, Slander of Title, §§ 3.01, 3.04 [4th ed.] ; see also *Fink v. Shawungunk Conservancy, Inc.*, 790 N.Y.S.2d 249, 251 (App.Div.2005) (upholding summary judgment in favor of defendant on slander of title claim for failure to produce evidence of "malicious intent"; *Regan v. Lanze*, 346 N.Y.S.2d 113, 114 (App.Div.1973) ("An action for slander of title is maintainable only on a showing of malice."); *Robert D. Sack*, 13 *Sack on Defamation* §§ 13.1.4.1, 13.1.4.5 (2006) (describing common law malice requirement of slander of title actions). Where malice is an element of a claim "[s]ome facts must be asserted to support the claim that the state of mind existed" in order to survive summary judgment. *Markowitz v. Republic Nat'l Bank*, 651 F.2d 825, 828 (2d Cir.1981). "A plaintiff does not become entitled to a jury trial simply by asserting a cause of action in which the defendant's state of mind is a material element." *Id.* (quoted in *Colavito v. N.Y. Organ Donor Network, Inc.*, 438 F.3d 214, 222 (2d Cir.2006)). Defendant argues that Plaintiff has failed to show the requisite level of malice and that Defendant's representatives were acting on a good faith belief that Plaintiff's jewelry was copied from Defendant's.

There is some doctrinal dispute as to the level of malice required for a slander of title claim. See 13 Sack on Defamation § 13.1.4.5 (describing dispute over whether “common law malice,” i.e., ill will, or “actual malice,” i.e., “a reckless disregard for the truth or falsity of the statement” is required to state a claim for slander of title). In New York, courts have applied the “actual malice” standard, and have regularly dismissed claims where the plaintiff has failed to show that the defendant acted with knowledge that the statements were false or with a “reckless disregard” for the truth or falsity of the statements. See, e.g., *Fink*, 790 N.Y.S.2d at 251 (“We find no evidence of the malicious intent necessary to support a cause of action for slander of title and, given our conclusion that defendant had probable cause to claim title to the disputed property, these public assertions cannot be said to have been made ‘with a reckless disregard for their truth or falsity.’”); see also *Terrace Hotel Co. v. State*, 227 N.E.2d 846, 849-50 (N.Y.1967) (holding slander of title to require proof of “malice or spite” and dismissing claim where defendant had good faith belief that statements were true); *John W. Lovell Co. v. Houghton*, 22 N.E. 1066, 1067 (N.Y.1889) (stating that slander of title action will fail unless defendant has “knowledge” that statements were false). Malice under this standard is not a measure of whether the speaker harbored ill will or spite; rather, actual malice exists when a speaker makes a statement knowing it is false or while personally harboring serious doubts about its veracity. See *Kareides v. Ackerley Group, Inc.*, 423 F.3d 107, 114 (2d Cir.2005) (quoting *Church of Scientology Int'l v. Behar*, 238 F.3d 168, 174 (2d Cir.2001)).

\*12 Here, there is little evidence of malice. Mere falsity, prior disputes between the parties, and “[s]uspicion, surmise and accusation” are insufficient to raise an inference of malice. *Donofrio-Ferrezza v. Nier*, No. 04-CV-1162, 2005 WL 2312477, at \*7 (S.D.N.Y. Sept. 21, 2005) (quoting *Shapiro v. Health Ins. Plan of Greater N.Y.*, 163 N.E.2d 333, 338 (N.Y.1959)). In this case, there is no evidence that any of Defendant’s representatives’ statements were knowingly false. Putting aside the question of actual falsity, Plaintiff has failed to raise a material issue of fact that Defendant’s representatives knew their statements were false or harbored any doubts about their falsity. Although there are disputes over what was said, none of the depositions even suggest that Defendant’s rep-

resentatives knew that Plaintiff’s products did not infringe on Defendant’s rights. Nor is there evidence that the employees making the relevant statements, mostly salespersons, harbored any personal doubts about the veracity of their statements. The conversations at issue were primarily among sales representatives of companies that had been and were presently engaged in litigation. None of the speakers was an expert or an attorney, and, even accepting the truth of Plaintiff’s allegations of what was said, there is no evidence that Defendant’s representatives had doubts regarding the status of Defendant’s pending patent or its patent litigation. The same is true for the phone messages left by Petersen on the answering machine of Carlos. Petersen stated that “now our patent application that has been publicized and you are selling something that violates my patent and therefore I can sue you for your profits.” Though this may be a poor statement of the law, and it does make a legal conclusion, there is no evidence in the record that Petersen knew it was false or held any doubts about its truth. Although the statement recognizes that Defendant had only applied for a patent, given the previous litigation history between the Parties and Petersen’s status as a non-lawyer, there is no evidence to support the conclusion that this statement was knowingly false.<sup>FN7</sup> Thus, Plaintiff has failed to raise a material issue of fact as to whether Defendant acted with actual malice.<sup>FN8</sup>

FN7, There is no evidence that Defendant’s representatives made their statements with a reckless disregard for the truth or falsity of the statements in that they had reason to believe their statements were false. See *Kareides*, 423 F.3d at 114 (“If it cannot be shown that the defendant knew that the statements were false, a plaintiff must demonstrate that the defendant made the statements with reckless disregard of whether they were true or false.”). To the contrary, all evidence suggests the speakers believed, even if incorrectly (given that what was actually said is disputed), that their statements were true.

FN8, Defendant did not raise the issue of special damages in its motion for summary judgment, but special damages are a necessary element of a slander of title claim. See 39 *Coll. Point Corp.*, 810 N.Y.S.2d at 521. As discussed, *infra*, Plaintiff has failed to

demonstrate special damages. Thus, although not raised by Defendant, Plaintiff's slander of title claim fails also because Plaintiff did not raise a material fact on the issue of special damages. See *Juliano v. Romano*, 640 N.Y.S.2d 43, 44 (App.Div.1996) (affirming post-trial dismissal in slander of title action because of failure to prove special damages).

#### E. Defamation

"Under New York law, the elements of a defamation cause of action are: (i) a defamatory statement of fact concerning the plaintiff, (ii) publication to a third party by the defendant, (iii) falsity of the defamatory statement, (iv) some degree of fault, and (v) special damages or per se actionability (defamatory on its face)." *Kasada, Inc. v. Access Capital, Inc.*, No. 01-CV-8893, 2004 WL 2903776, at \*17 (S.D.N.Y. Dec. 14, 2004). Defendant argues that regardless of whether Plaintiff has substantiated its defamation claim, Defendant's representatives' statements were privileged and therefore not actionable under New York defamation law. In addition, Defendant argues that Plaintiff has failed to raise a material question of fact regarding fault or the existence of special damages.

\*13 Defendant first argues that it is shielded from Plaintiff's defamation claims as its agents' statements merely regarded the outcome of *Pandora I*, the copyright-grounded prior lawsuit between the Parties, and were therefore privileged under New York Law. See N.Y. Civ. Rights L. § 74 ("A civil action cannot be maintained against any person, firm or corporation for the publication of a fair and true report of any judicial proceeding ...."). Plaintiff argues, however, as discussed *supra*, that its current line of products is wholly different from that at issue in *Pandora I*, and, thus, the privilege for discussing the outcome of litigation does not apply. This dispute turns on two contested facts, namely, what was said and whether Defendant's representatives were referring to a Chamilia product that was involved in the prior lawsuit. As a result, Defendant's assertion of privilege New York Civil Rights Law is insufficient to support summary judgment for Defendant.

Defendant, however, also argues that the common law "common interests" privilege protects some of its representatives' alleged statements. The "common

interests" privilege is a qualified privilege, and it generally protects statements that are "communication[s] made by one person to another upon a subject in which both have an interest." *Lieberman v. Gelstein*, 605 N.E.2d 344, 349 (N.Y.1992) (quoting *Stillman v. Ford*, 238 N.E.2d 304, 306 (N.Y.1968)). "Under New York law, the decision as to whether, under the circumstances, a privilege exists is for the court and not the jury." *Konikoff v. Prudential Ins. Co.*, No. 94-CV-6863, 1999 WL 688460, at \*13 (S.D.N.Y. Sept. 1, 1999) (internal quotations omitted), *aff'd* 234 F.3d 92 (2d Cir.2000). New York courts have extended the common interest privilege to otherwise-defamatory communications between partners, officers of a corporation, and employers and their employees. See *id.*; see also *Lieberman*, 605 N.E.2d at 349 ("This 'common interest' privilege has been applied, for example, to employees of an organization, members of a faculty tenure committee and constituent physicians of a health insurance plan." (internal citations omitted)). It has also been held to encompass a conversation between two businesspersons, meeting to discuss the relationship between their two companies, when the statements were intended to protect one businessperson's business from unethical competition. See *McSherry v. Nat'l Blue Print Div. of Nat'l Reprographics, Inc.*, No. 81-CV-5182, 1982 U.S. Dist. LEXIS 17044, at \*1-2 (S.D.N.Y. Dec. 27, 1982).

The common interests privilege does not extend to Defendant's representatives' statements at trade shows or its telephone calls to Chamilia retailers. Defendant relies on *McSherry* to claim that the privilege applies to any statements made by businesspersons for the purpose of protecting their businesses against unfair competition. That stretches *McSherry* too far. *McSherry* stands for the proposition that protecting a longstanding business relationship from unethical competition is a legitimate interest that may be covered by the common interests privilege, so long as the statements are made defensively, rather than offensively. *Id.* at \*1. The *McSherry* court relied on numerous cases emphasizing both that the defendant and the publishee must have an existing business relationship, and that the statements at issue must be "defensive," i.e., must be in response to some type of conduct with potential to undermine the existing relationship between the defendant and the publishee. *Id.* at \*2-4. Neither of these situational elements is present in the trade show statements or phone calls in this case. The statements and calls were made to persons with whom the Defendant had no collaborative busi-

ness relationship or only a limited relationship, and they discussed only the outcome of potential future litigation. Although, as considered, *supra*, these statements were not made with “actual malice,” they do not qualify for the privilege as they did not further an existing business interest of Defendant other than dissuading potential customers from dealing with a rival. If such an interest was sufficient to defeat a defamation claim, businesses would be free to defame their competitors without consequence. See *Mann v. Quality Old Time Serv., Inc.*, 120 Cal.App. 4th 90, 109 (Ct.App.2004) (noting risk of expanding California statutory “common interests” privilege to unsolicited statements by a business to customers of its rival).

\*14 The privilege does apply, however, to the April 2005 letters sent by Defendant. These letters were sent to Defendant’s existing customers who previously had agreed not to sell jewelry similar to Defendant’s. Both Defendant and its customers had a legitimate interest in knowing that Defendant believed that selling Plaintiff’s jewelry constituted a violation of that agreement. The letters were not unsolicited, as Defendant had preexisting business relationships with the recipients. This type of common interest is precisely the kind contemplated by the privilege. Thus, Defendant’s statements in the April 2005 letters are conditionally privileged. See *McSherry*, 1982 U.S. Dist. LEXIS 17044, at \*2-4.

The common interests privilege can be defeated, however, if the privileged statements were made with malice. See *Lieberman*, 605 N.E.2d at 349-50. Both common law malice, known as “ill will,” and “actual malice” are sufficient to defeat a conditional privilege. *Id.* at 350. As discussed, *supra*, Plaintiff has not produced sufficient evidence for a rational jury to find that any of the alleged statements in this case, least of all the April 2005 letters, were made with “actual malice.” Thus, it remains to determine only whether Plaintiff has produced sufficient evidence for a rational jury to find that the April 2005 letters were sent with “ill will” toward the Plaintiff. In this context, “ill will” refers to the speaker’s motivation for making the statements, not any generalized feelings between the speaker and the Plaintiff. See *id.* at 350. A triable issue of fact regarding malice is raised “only if a jury could reasonably conclude that ‘malice was the one and only cause for the publication’ “ of the disputed statements. *Id.* (quoting *Stukals v. State of New York*, 366 N.E.2d 829, 835 (N.Y.1977)). “If the defendant’s statements

were made to further the interest protected by the privilege, it matters not that the defendant *also* despised plaintiff.” *Lieberman*, 605 N.E.2d at 350.

Here, there is no evidence that the April 2005 letters were the product of ill will. Glueck made his statements in these letters only to existing Pandora retailer customers, and, regardless of whether he harbored any additional “ill will” towards Plaintiff, it is clear from the face of the letters that his primary interest was in notifying his customers that Defendant considered sale of Plaintiff’s products to violate the agreement signed by Defendant’s retailers. Because this is a legitimate interest protected by the privilege, a reasonable jury could not find that Glueck’s statements were made with “ill will” toward the Plaintiff.

Defendant next asserts that Plaintiff has produced insufficient evidence of fault. The level of fault required in a defamation action varies depending upon the person who is defamed and the context of the alleged defamation. See *Chalpin v. Amordian Press, Inc.*, 515 N.Y.S.2d 434, 438 (App.Div.1987). Depending on the circumstances, either common law malice or “actual malice” is required to establish a claim. *Id.* These standards are identical to those of Plaintiff’s slander of title claim. As discussed, *supra*, Plaintiff has not produced sufficient evidence that the statements made in the April 2005 letters were made with either level of malice. Summary judgment in favor of Defendant on Plaintiff’s claim for defamation based on those statements is therefore granted.<sup>FN9</sup>

FN9. Defendant argued in briefing, without authority, that the alleged defamatory statements were not published because they were made to agents of Plaintiff. This argument fails because, under New York law, transmission of a defamatory statement to an agent of the defamed satisfies the publication requirement for defamation. See *Solas v. Jones*, No. 04-CV-2980, 2005 WL 525444, at \*3 (S.D.N.Y., Mar. 7, 2005); *Teicher v. Bellan*, 181 N.Y.S.2d 842, 845 (App.Div.1959); *Penn Warranty Corp. v. DiGiovanni*, 810 N.Y.S.2d 807, 814 (Sup.Ct.2005).

\*15 Plaintiff has raised a material question of fact that the remaining statements were made solely on the basis of ill will. To prove this element under the

common law standard of malice, however, a plaintiff must show that malice was the *only* motivation for the publication of the statement. See *Stukuls*, 366 N.E.2d at 835 (noting that on remand plaintiff would have to “successfully carry the burden of proving that malice was the one and only cause for the publication”); *Hoesten v. Best*, 821 N.Y.S.2d 40, 51 (App.Div.2006) (“In order to establish a triable issue regarding common-law malice, a defamed plaintiff must show that a jury could reasonably conclude that the speaker spoke out of spite or ill will, and that such malicious motivation was the one and only cause for the publication.” (internal quotation omitted)). Here, there is evidence to support a conclusion that Defendant’s agents were motivated by ill will, particularly with respect to the phone calls from Hofstrup to Chamilia retailers. Plaintiff produced evidence that Defendant’s agents made frequent angry phone calls to and often left agitated voicemail messages with Plaintiff’s retailers. These messages were made with sufficient hostility to support a finding that Defendant’s agents acted with ill will when they made these statements. See *Devoy v. Irish World & Am. Indus. Liberator Co.*, 203 N.Y.S. 369, 369 (App.Div.1924) (“The plaintiff may prove malice in fact by showing actual hostility or ill will ....”).

Plaintiff’s defamation cause of action still fails, however, because Plaintiff has not produced sufficient evidence of “special damages” resulting from the trade show statements and the telephone calls. Under New York law, “special damages” are defined “as the loss of something having economic or pecuniary value such as loss of profits,” as opposed to other types of harm to reputation or community standing. See *Wolf Street Supermarkets, Inc. v. McPartland*, 487 N.Y.S.2d 442, 448 (App.Div.1985). When a defamatory statement concerns the nature of a person’s business, that statement is defamatory per se, and, at the pleading stage, special damages are presumed. Under New York law, however, “all [damage] awards must be supported by competent evidence concerning the injury, although there need be no evidence which assigns an actual dollar value to the injury.” *Id.* (internal quotation omitted); see also *Fashion Boutique*, 314 F.3d at 59. Though Plaintiff argues it need not produce evidence of special damages, the authority it cites supports the opposite conclusion. See *Boule v. Hutton*, 320 F.Supp.2d 132, 138 (S.D.N.Y.2004) (“[T]he Second Circuit noted that ‘[w]here a statement impugns the basic integrity of a business, an action for defamation per se lies, and general damages are pre-

sumed. Nonetheless, actual damages must be proved with competent evidence of injury.’” (quoting *Boule v. Hutton*, 328 F.3d 84, 94 (2d Cir.2003)).

\*16 Plaintiff alleges that it lost roughly thirty-two accounts due to Defendant’s statements. Its evidence of these losses comes from two primary sources: (1) deposition statements from Julkowski, Shaw-Riley, and Whirlow regarding fifteen allegedly canceled accounts;<sup>FN10</sup> and (2) a signed declaration by Julkowski listing twenty allegedly canceled accounts, which Julkowski recalled based on his review of a Chamilia sales report.<sup>FN11</sup> To be considered on summary judgment, however, the statements in this deposition testimony and declaration must be admissible. “Supporting and opposing affidavits” filed in support of a summary judgment motion “shall be made on personal knowledge, shall set forth facts as would be admissible in evidence, and shall show affirmatively that the affiant is competent to testify to the matters stated therein.” Fed.R.Civ.P. 56(c). “A court may therefore strike portions of an affidavit [in support of summary judgment] that are not based upon the affiant’s personal knowledge, contain inadmissible hearsay or make generalized and conclusory statements.” *Hollander v. Am. Cyanamid Co.*, 172 F.3d 192, 198 (2d Cir.1999); see also *Patterson v. County of Oneida*, 375 F.3d 206, 219 (2d Cir.2004) (“affidavit’s [inadmissible] hearsay assertion is insufficient to create a genuine issue for trial”); *Santos v. Murdock*, 243 F.3d 681, 683 (2d Cir.2001) (“Affidavits submitted to defeat summary judgment must be admissible themselves or must contain evidence that will be presented in an admissible form at trial.”). At the summary judgment stage, however, inadmissible affidavits may in practice guide the court to documentary evidence in the record supporting their conclusions. See, e.g., *Societe Generale Energie Corp. v. N.Y. Marine & Gen. Ins. Co.*, 368 F.Supp.2d 296, 299 n. 3 (S.D.N.Y.2005); *Golden Pac. Bancorp v. FDIC*, No. 95-CV-9281, 2002 WL 31875395, at \*10 (S.D.N.Y. Dec. 26, 2002).

FN10. Julkowski testified at his deposition that he knew of at least six of Plaintiff’s customers that allegedly canceled their accounts because of Defendant’s alleged statements: The General Store (Goggin Decl. Ex. D. (“Julkowski Dep.”) 177-79); italiancharms.com (*id.* 184); Pat’s / Carinie’s (*id.*); Joy Store (*id.* 264); Seven Seas (*id.*);

and Gift Gallery (*id.* 307). Shaw-Riley testified the same regarding five customers: Rustic Hutch (Goggin Decl. Ex. E. ("Shaw-Riley Dep.") 89, 128, 147); Charm Heaven (*id.* 89, 128, 145-46); Merle Norman (*id.* 89, 128); Details (*id.* 128); and the Kiosk at the Castleton Square Mall (*id.* 157-58). Whirlow testified the same regarding four customers: Carrots (Goggin Decl. Ex. F. ("Whirlow Dep.") 68, 78-79); Carina (*id.* 68, 78-79); Burlingame Stationaries (*id.* 94); and Ann's Hallmark (*id.* 105-06).

FN11. Seventeen of the customers on Julkowski's list are additional names beyond those identified in the depositions; three are duplicative (the Joy Shop (called "Joy Store" in testimony); Seven Seas; and The General Store). (Decl. of Jeffrey Julkowski ("Julkowski Decl.") ¶ 4.)

As an initial matter, almost all of the evidence that customers ceased purchasing Plaintiff's products as a result of Defendant's statements is hearsay. For example, when asked during his deposition how he knew that the owner of The General Store had canceled an order because of Defendant's actions, Julkowski stated: "[The owner] told me personally she's canceling her order because she just received a call from [Petersen]." (Julkowski Dep. 178:16-18.) In purporting to explain why another customer, The Gift Gallery, canceled its Chamilia order, Julkowski said: "[the customer] was told Pandora had a patent." (*Id.* at 308:1-3.) Asked if he personally heard these statements, Julkowski replied: "no." (*Id.* at 307:17-19.)<sup>FN12</sup> Explaining how she knew that Rustic Hutch, Charm Heaven, and Merle Norman had refused to buy Plaintiff's products as a result of Defendant's statements, Shaw-Riley said "they have told me." <sup>FN13</sup> (Shaw-Riley Dep. 89:15-20.) Whirlow gave similar testimony. (Whirlow Dep. 87.)

FN12. In discussing other customers, Julkowski either offered similar testimony or provided no basis to support his knowledge of the customers' motives in canceling their orders.

FN13. Shaw-Riley later testified that the reason Charm Heaven ceased carrying Plaintiff's products was Defendant's

non-competition agreement with its vendors, which barred them from selling products similar to Defendant's. (Shaw-Riley Dep. 145-46.)

\*17 As hearsay, the evidence regarding Plaintiff's lost customers' motives for ceasing to buy their products is inadmissible unless it is supported by documentary evidence or other evidence that would be admissible at trial.<sup>FN14</sup> See *Santos*, 243 F.3d at 683. The only documentary evidence that has been offered in support of any of these claims is a report of Chamilia sales, listed by customer, from January 1, 2004, through May 1, 2005. (Julkowski Decl. Ex. A.) Julkowski stated in his declaration that this report refreshed his recollection as to which of Plaintiff's customers canceled or refused to renew orders due to Defendant's alleged statements. (*Id.* ¶ 4.) In that declaration, Julkowski listed twenty customers who allegedly canceled orders. This evidence, however, is insufficient to justify Plaintiff's hearsay testimony. Plaintiff argues that the sales report corroborates its agents' account that numerous customers began to cancel their orders of Chamilia products at approximately the same time that Defendant was making its statements. The report itself makes no mention of any customer's reasons for ending its purchases. (*Id.* Ex. A.) Although the report lists numerous customers who ended their orders between January 1, 2004, and May 1, 2005, it provides no support for the relevant material fact that these terminations were a result of Defendant's statements. For instance, one of the customers Julkowski identified as ending its purchases as a result of Defendant's statement, Seven Seas, made numerous purchases from Chamilia up to October 2004, after which it stopped. (*Id.* Ex. A at 13.) All the statements at issue in this case, however, were made either prior to July 2004 or in 2005. Plaintiffs have not alleged that statements raising issues for this case were made in October 2004. In addition, other customers identified by Julkowski had vastly different purchasing behavior. For example, the General Store made a single purchase in February 2005. (*Id.* Ex. A at 24.) Further, numerous customers not identified by Plaintiff as ending their sales because of Defendant exhibited purchasing behavior similar to those customers Plaintiff did identify. In short, this report does not support the inadmissible statements made by Plaintiff's agents, nor does it by itself raise any inference that Plaintiff lost sales because of Defendant's behavior. Even if it did raise such an inference, there is no evidence linking that behavior to the specific statements at issue in this case. Plaintiff

may not offer general proof of defamation and seek damages for those customers it speculates may have heard the defamatory statements. Plaintiff's burden is to offer proof of special damages running from the statements at issue in this case. *Cf. Fashion Boutique*, 314 F.3d at 61-62 (rejecting argument that jury could be allowed to infer other instances of slander based on those in evidence). Because Plaintiff has offered no admissible evidence of special damages, it has failed to raise a material issue of fact as to special damages. Thus, summary judgment in favor of Defendant on Plaintiff's defamation claim is granted.

FN14. Defendant has moved to strike paragraph four of the Julkowski Declaration on the grounds that it is based on inadmissible hearsay. (Def.'s Mem. of Law in Supp. of Def.'s Mot. to Strike Inadmissible Evid. 3-4.) Plaintiff argues that: (1) this statement was based on personal knowledge merely "informed" by the statements of others; and (2) the evidence is admissible as evidence of his "state of mind." As discussed, *supra*, Julkowski's testimony at his deposition, which the Court reads to avoid direct contradiction with his declaration, was that he knew these customers' motives for canceling their Chamilia orders based on their statements to him. Such hearsay-based personal knowledge is admissible only if supported by the documentary record. See *Santos*, 243 F.3d at 683. Plaintiff cites *Agfa-Gevaert, A.G. v. A.B. Dick Co.*, 879 F.2d 1518, 1523 (7th Cir.1989), for the proposition that personal knowledge may be based on hearsay. That argument is not supported by the holding of *Agfa-Gevaert*. In that case, the issue was whether a business executive could testify to the quality of his own business' product when his opinion regarding that product was based on what the company's engineers had told him. The court held that he could, because the inference he would draw about the product's quality was the type of inference normally drawn by an executive in his position. Analogizing the situation to that of an expert witness, the *Agfa-Gevaert* court held that the business executive's inferences about his own product's quality were admissible. Here, the situation is entirely different. Julkowski is attempting to provide evidence about the *motive* of a customer for choosing

not to purchase his product, and to introduce hearsay statements regarding those motives for their truth; he is attempting to testify that the motive of these customers was in fact what was said to him. Such evidence is hearsay and inadmissible.

The same analysis applies to Plaintiff's argument that these statements are admissible as related to Julkowski's state of mind. Although stating a valid exception to the hearsay rule, Julkowski's state of mind is here totally irrelevant. Plaintiff does not explain why it would be otherwise, although it is theoretically possible that Plaintiff would, at trial, offer such an argument. Therefore, while the Court does not consider paragraph four of the Julkowski Declaration sufficient to survive summary judgment, Defendant's motion to strike paragraph four of the Julkowski declaration is denied.

#### F. Product Disparagement

\*18 Under New York law, product disparagement consists of: (1) a false statement; (2) published by Defendant to a third party; (3) with malice; and (4) with special damages. See *Gucci Am., Inc. v. Duty Free Apparel, Ltd.*, 277 F.Supp.2d 269, 276 (S.D.N.Y.2003); *Kirby v. Wildenstein*, 784 F.Supp. 1112, 1115 (S.D.N.Y.1992).

As with the above causes of action, Plaintiff has failed to produce evidence of malice or special damages. There is an additional hurdle here, because, unlike Plaintiff's defamation claim, proof of *itemized* special damages is required. See *Fashion Boutique*, 314 F.3d at 60. Because Plaintiff has not produced sufficient evidence to raise a material question of fact as to malice, and has provided no admissible evidence on the issue of special damages, let alone any itemized damages, summary judgment in favor of Defendant on Plaintiff's product disparagement claim is granted.

#### G. Tortious Interference with Prospective Business Relations

Plaintiff's next cause of action was pled as "tortious interference with advantageous relationships." No such tort exists under New York law. In its brief,



however, Plaintiff describes the claim as “tortious interference with prospective business relationships.”<sup>EN15</sup> A tortious interference with prospective business relations claim requires that “plaintiff must demonstrate that defendant ‘interfered with the plaintiff’s business relationships either with the sole purpose of harming the plaintiff, or by means that were unlawful or improper.’” *Redeye Grill, L.P. v. Rest. Opportunities Ctr. of N.Y., Inc.*, 13 Misc.3d 1212(A) (N.Y. Sup.Ct.2006) (quoting *71 Pierrepont Assocs. v. 71 Pierrepont Corp.*, 663 N.Y.S.2d 263, 263 (App.Div.1997)). To meet this requirement, “defendant’s conduct [must be] motivated solely by malice or to inflict injury by unlawful means, beyond mere self-interest or other economic considerations.” *Shared Commc’ns Servs. of ESR, Inc. v. Goldman Sachs & Co.*, 803 N.Y.S.2d 512, 513 (App.Div.2005). Here, there is not even an allegation that non-economic considerations motivated Defendant’s statements, let alone that they were the sole type of motive. Therefore, summary judgment on Plaintiff’s tortious interference claim is granted in favor of Defendant. See *Newport Serv. & Leasing, Inc. v. Meadowbrook Distrib. Corp.*, 794 N.Y.S.2d 426, 427-28 (App.Div.2005) (affirming summary judgment in favor of defendant where defendant acted out of own economic self-interest rather than solely out of desire to harm plaintiff).

EN15. It appears that Plaintiff may have intended the more ambiguous wording to encompass both the tort of interference with prospective business relationships and the tort of interference with contract. When Defendant responded to Plaintiff’s claim as a tortious interference with contract claim, Plaintiff argued it as a tortious interference with prospective business relationships claim. Setting aside the procedural propriety of this maneuver, Plaintiff’s claim still fails if it is construed as for tortious interference with contract. “Tortious interference with contract requires the existence of a valid contract between the plaintiff and a third party, defendant’s knowledge of that contract, defendant’s intentional procurement of the third-party’s breach of the contract without justification, actual breach of the contract, and damages resulting therefrom.” *Fusco v. Fusco*, 829 N.Y.S.2d 138, 140 (App.Div. Jan. 9, 2007) (quoting *Lama Holding Co. v. Smith Barney*, 668 N.E.2d

1370, 1375 (N.Y.1996)); see also *Accent Designs*, 827 F.Supp. at 965 (stating elements of tortious interference with contract under New York law). Plaintiff has introduced no evidence of any existing contract that was breached as a result of Defendant’s actions. Therefore, such a claim fails as a matter of law.

#### H. Unfair Competition

Both Plaintiff and Defendant treat Plaintiff’s unfair competition cause of action as identical to Plaintiff’s Lanham Act claim. Their authority for that position, *Lurzer GmbH v. American Showcase, Inc.*, is a trademark infringement case, 73 F.Supp.2d 327, 331 n. 5 (S.D.N.Y.1998) (quoting *Tri-Star Pictures, Inc. v. Unger*, 14 F.Supp.2d 339, 359 n. 18 (S.D.N.Y.1998)). Traditionally, under New York law, an “unfair competition” claim referred to various types of trademark infringement, such as “palming off” or creating confusion about a person or corporation’s trademark. See *Ball v. United Artists Corp.*, 214 N.Y.S.2d 219, 226 (App.Div.1961) (internal quotation omitted). Although a common-law unfair competition claim encompasses more than merely trademark actions,

\*19 [t]he basis of the action at law is fraud, or deception or confusion of the public amounting to fraud, and resulting injury to plaintiffs. A right of recovery of damages in such an action exists only upon a showing that the defendants’ acts were such as to amount to a fraud upon the plaintiffs or upon the public and that the plaintiffs have been injured thereby.

*Id.* (footnote omitted). This standard is significantly different, and more stringent, than the Lanham Act standards discussed *supra*.<sup>EN16</sup> To demonstrate fraud under New York law, a plaintiff must show that the defendant knowingly made a false statement. See *Iannucci v. Viscardi*, 672 N.Y.S.2d 816, 816 (App.Div.1998). As discussed, *supra*, Plaintiff has produced insufficient evidence that any of the statements made by Defendant’s agents was knowingly false. Therefore, summary judgment in favor of Defendant on Plaintiff’s unfair competition claim is granted.

EN16. Some federal courts have recognized a New York tort of “unfair competition by

disparagement.” See, e.g., *El Greco Leather Prods. Co. v. Shoe World, Inc.*, 623 F.Supp. 1038, 1044 (E.D.N.Y.1985). This tort, however, is identical to “product disparagement.” See *id.* (“it appears that this claim is redundant”). Thus, even if Plaintiff’s claim could be differentiated from the “unfair competition” claim described in this section, it would still be redundant with Plaintiff’s product disparagement claim, and summary judgment in favor of Defendants would still be appropriate.

### 1. Declaratory Judgment

Plaintiff seeks a declaratory judgment that Defendant lacks authority to threaten Plaintiff for patent infringement; that Plaintiff has not infringed Defendant’s patents; and that Plaintiff is not liable for infringement. Declaratory judgments are a discretionary remedy, and federal courts “ ‘must be alert to avoid imposition upon their jurisdiction through obtaining futile or premature interventions, ... [particularly] where a ruling is sought that would reach far beyond the particular case.’ ” *Jenkins v. United States*, 386 F.3d 415, 417 (2d Cir.2004) (alteration in original) (quoting *Public Serv. Comm’n v. Wycoff Co.*, 344 U.S. 237, 243 (1952)). Defendant argues that Plaintiff’s request is premature, as Plaintiff’s requested judgment concerns patent rights regarding a patent that, at the time the Complaint was filed and the time that the Parties briefed this motion, had not yet been issued.

“The existence of an actual controversy is an absolute predicate for declaratory judgment jurisdiction.” *GAF Bldg. Materials Corp. v. Elk Corp.*, 90 F.3d 479, 481 (Fed.Cir.1996) (internal quotation omitted). The standard inquiry for the existence of a controversy in a declaratory judgment regarding patent infringement looks to: (1) whether the defendant in the action has engaged in conduct that created in the plaintiff a reasonable apprehension that it will face an infringement suit; and (2) that the plaintiff must have actually produced or prepared to produce the allegedly infringing device.*Id.* Where, as here, the Complaint alleges a dispute over the validity or infringement of “a possible future patent not then in existence,” the district court cannot “know with certainty whether a patent would issue or, if so, what legal rights it would confer” and should therefore avoid issuing “an impermissible advisory opinion.” *Id.* (emphasis added).

In such a case, the declaratory judgment action would not satisfy the actual case or controversy requirement for federal jurisdiction at the time the complaint was filed. See *id.* at 484; see also *Dr. Reddy’s Labs., Ltd. v. aaiPharma, Inc.*, No. 01-CV-10102, 2002 WL 31059289, at \*8 (S.D.N.Y. Sept. 13, 2002) (“It is axiomatic that [the plaintiff] cannot obtain a declaratory judgment of invalidity and/or noninfringement on a patent that has not yet been issued by the PTO at the time the complaint was filed.”).

\*20 Therefore, summary judgment on Plaintiff’s declaratory judgment requests must be granted for Defendant. Although Defendant has since been issued a patent on its products, justiciability is evaluated at the time the complaint is filed, and “[t]he fact that the patent ... would have been granted before the court reached the merits of the case is of no moment.” *GAF Building*, 90 F.3d at 482; see also *Eldridge v. Springs Indus.*, 882 F.Supp. 356, 357 (E.D.N.Y.1995) (“It is well settled that a patent cannot be infringed until after that patent has been issued.”). Plaintiff argues that, as it also seeks injunctive relief, there is no requirement that the patent have issued. It cites for authority one sentence of *Blank* stating that a Lanham Act claimant need not “hold a competing patent or even be engaged in the same industry.” *Blank*, 916 F.Supp. at 173. That case, however, states the law relating to the Lanham Act and is irrelevant to Plaintiff’s request for declaratory relief regarding patent infringement from a patent not yet in existence. Plaintiff has cited no authority for the proposition that this Court has, let alone should exercise, the power to enjoin future patent infringement proceedings when no patent had issued at the time the complaint was filed. If such authority exists, it is discretionary, and the Court declines to exercise it. See *Jenkins*, 386 F.3d at 417.

### III. Conclusion

Defendant’s Motion for Summary Judgment is GRANTED in its entirety. Defendant’s Motion to Strike Evidence is DENIED as moot. The Clerk of the Court is directed to terminate all pending motions on the docket (Docket Nos. 25, 66) and to close the case.

SO ORDERED.

S.D.N.Y., 2007.

Chamilia, LLC v. Pandora Jewelry, LLC

Not Reported in F.Supp.2d, 2007 WL 2781246

(S.D.N.Y.), 2007-2 Trade Cases P 75,945, 85  
U.S.P.Q.2d 1169

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## EVIDENCE APPENDIX 005

### **Westlaw Delivery Summary Report for SUMMASSOCIATE,ON**

Your Search:	St. Luke's Cataract & Laser Inst. P.A. v. Sanderson,
Date/Time of Request:	Tuesday, June 2, 2009 12:36 Central
Client Identifier:	88065.2
Database:	ALLFEDS
Citation Text:	Not Reported in F.Supp.2d
Lines:	118
Documents:	1
Images:	0

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C

United States District Court, M.D. Florida,  
 Tampa Division.

**ST. LUKE'S CATARACT and LASER INSTI-  
 TUTE, P.A., Plaintiff,**  
 v.

James C. **SANDERSON**, James C. **Sanderson**, M.D.,  
 LLC, and Mark Erickson, Defendants.  
**No. 8:06-CV-223-T-MSS.**

May 12, 2006.

David J. Stewart, Stacey A. Molloy, Alston & Bird, LLP, Atlanta, GA, John D. Goldsmith, Shyam N.S. Dixit, Jr., Trenam, Kemker, Scharf, Barkin, Frye, O'Neill and Mullis, P.A., Tampa, FL, for Plaintiff.

H. William Larson, Jr., Ruth Ellen Freeburg, Larson & Larson, P.A., Largo, FL, for Defendant.

### ORDER

MARY S. SCRIVEN, Magistrate Judge.

**\*1** THIS CAUSE comes on for consideration of Plaintiff's Motion for Admission of Evidence (the "Motion") (Dkt.46-1) and Defendants response thereto (Dkt.49-1).

Plaintiff requests that printouts of pages from the laserspecialist.com and the lasercyclid.com websites taken from www.archive.org (hereinafter referred to as the "Internet Archive") and supporting declarations be admitted to show how the sites have appeared at various times since 2000. In support of its Motion, Plaintiff relies on Telewizja Polska USA, Inc. v. EchoStar Satellite Corp., 2004 WL 2367740 (N.D.Ill.), a case from the Northern District of Illinois which dealt with admitting evidence from Internet Archive.

In Telewizja, the plaintiff sought to bar the defendant from introducing evidence from Internet Archive to prove what the plaintiff's website looked like on various dates in 2004. *Id.* at 5. First, the plaintiff argued

that the printouts from Internet Archive were "double hearsay." *Id.* The court disagreed, finding that the text and graphics from the website were not statements and the content of the website constituted an admission by a party-opponent and was therefore, not hearsay. *Id.* Second, the plaintiff argued that the printouts from Internet Archive should not be admitted because they had not been authenticated. *Id.* at 6. The plaintiff did not present evidence that the printouts were inaccurate or that Internet Archive was unreliable or biased, only that the defendant had failed to meet the authentication requirements of Fed.R.Evid. 901. *Id.*

The defendant had attached to the printouts the affidavit of Ms. Molly Davis, the administrative director for Internet Archive. *Id.* Ms. Davis' affidavit was submitted to verify that the copies of the web pages retrieved from Internet Archive were accurate representations of the web pages as they appeared in Internet Archive's records. *Id.* Her affidavit also described in detail the process Internet Archive uses to allow visitors to search archived web pages through its "Wayback Machine." *Id.*; (Pl.Mot., Ex. B) Most importantly, the affidavit contained specific attestations of authentication as to the web page in dispute. Thus, the court found the affidavit of Ms. Davis to be "sufficient to satisfy Rule 901's threshold requirement for admissibility." *Id.*

Here, Plaintiff contends that a certified copy of Ms. Davis' affidavit used in Telewizja,<sup>FN1</sup> along with the affidavits of Mr. Benjamin Fertic<sup>FN2</sup> and Mr. Bradley Houser<sup>FN3</sup>, are sufficient to authenticate the printouts it seeks to introduce from Internet Archive. In response, Defendants contend that the declarations of Mr. Fertic and Mr. Houser, two fact witnesses, are insufficient to authenticate the printouts from Internet Archive. According to Defendants, these two witnesses did not rely on their personal knowledge of how the Wayback Machine operates. The witnesses merely provided their opinions about how the process works. Further, the lay opinions given by these individuals in their declarations were incorrect as to how the Wayback Machine works.<sup>FN4</sup> Defendants also contend that the declaration of Ms. Davis, taken two years ago in an unrelated case, is insufficient to authenticate the printouts Plaintiff seeks to admit in the present case.

FN1. Plaintiff claims it is in the process of obtaining a certified copy of Ms. Davis' affidavit to supplement its Motion. (Pl. Mot. at 2, n. 1)

FN2. Mr. Fertic attached to his declaration (Dkt.10-1) "true and correct" images of pages from Internet Archive, which he claimed showed how the laserspecialist.com website appeared "as of December 7, 2003."

FN3. Mr. Houser attached to his declaration (Dkt.9-1) "true and correct" images of pages from Internet Archive, which he claimed showed how the laserspecialist.com website appeared "as of October 18, 2000" and "June 7, 2004."

FN4. Plaintiff acknowledges that the declarations of Mr. Fertic and Mr. Houser were incorrect. They declared, and Plaintiff believed, that Internet Archive stored all of the pages of a website on a particular date. Plaintiff has discovered that Internet Archive actually stores information on a page by page basis, meaning a different date may be assigned to each page of a website. Plaintiff "will submit new amended declarations to accurately reflect the new information it has learned about how Internet Archive works." (Pl. Mot. at 5, n. 3)

\*2 Rule 901 of the Federal Rules of Evidence requires authentication of evidence "as a condition precedent to admissibility." Fed.R.Evid. 901. This requirement is satisfied by "evidence sufficient to support a finding that the matter in question is what its proponent claims." *Id.* Web-sites are not self-authenticating. San Protection Factory, Inc. V. Tender Corp., 2005 WL 2484710, slip op. at 6, n. 4 (M.D.Fla. October 7, 2005). To authenticate printouts from a website, the party proffering the evidence must produce "some statement or affidavit from someone with knowledge [of the website] ... for example [a] web master or someone else with personal knowledge would be sufficient." In re Homestore.com, Inc. Sec Litig., 347 F.Supp.2d 769, 782 (C.D.Cal.2004).

Here, Plaintiff has not met the requirements for authentication. In order to satisfy the requirement of

Fed.R.Evid. 901, that is, to show that the printouts from Internet Archive are accurate representations of the laserspecialist.com and lasercyclid.com websites on various dates since 2000, Plaintiff must provide the Court with a statement or affidavit from an Internet Archive representative with *personal knowledge* of the contents of the Internet Archive website. The declarations of Mr. Fertic and Mr. Houser do not meet this requirement as neither individual has *personal knowledge* of the content of the Internet Archive website. Further, Ms. Davis' affidavit from a previous litigation, without more, is insufficient to satisfy this requirement. However, an affidavit by Ms. Davis, or some other representative of Internet Archive with personal knowledge of its contents, verifying that the printouts Plaintiff seeks to admit are true and accurate copies of Internet Archive's records would satisfy Plaintiff's obligation to this Court. Accordingly, the Court **ORDERS** that Plaintiff's Motion (Dkt.46-1) is **DENIED** without prejudice.

DONE and ORDERED in Tampa, Florida on this 12th day of May 2006.

M.D.Fla.,2006.

St. Luke's Cataract and Laser Institute, P.A. v. Sanderson

Not Reported in F.Supp.2d, 2006 WL 1320242 (M.D.Fla.), 70 Fed. R. Evid. Serv. 174

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Donate | Forums | FAQs | Contributions | Terms, Privacy, &amp; Copyright | Contact | Jobs | Bios

Universal access  
to human knowledge

Search:

FAQs

Advanced Search

Anonymous User (basic w/ info us)

Upload

## Frequently Asked Questions

[ The Wayback Machine | Audio | Texts and Books | Live Music Archive | The Internet Archive | Movies | Downloading Content | Virtual Library Cards (AKA Accounts) | FreeCache | DocuComp | Prelinger Movies | Search Tips | Uploading Content | Forums | SFLan | Rights | Equipment | Archive-It ]

## Questions

**What is the Wayback Machine? How can I get my site included in the Wayback Machine?**

**How can I remove my site's pages from the Wayback Machine?**

**What is the Archive-It service of the Internet Archive Wayback Machine?**

**Can I link to old pages on the Wayback Machine?**

**Why isn't the site I'm looking for in the archive?**

**What does it mean when a site's archive data has been "updated"?**

**Who was involved in the creation of the Internet Archive Wayback Machine?**

**How was the Wayback Machine made?**

**How large is the Wayback Machine?**

**What type of machinery is used in this Internet Archive?**

**How do you archive dynamic pages?**

**Why are some sites harder to archive than others?**

**Some sites are not available because of robots.txt or other exclusions. What does that mean?**

**How can I help the Internet Archive and**

## The Wayback Machine

**What is the Wayback Machine? How can I get my site included in the Wayback Machine?**

The Internet Archive **Wayback Machine** is a service that allows people to visit archived versions of Web sites. Visitors to the Wayback Machine can type in a URL, select a date range, and then begin surfing on an archived version of the Web. Imagine surfing circa 1999 and looking at all the Y2K hype, or revisiting an older version of your favorite Web site. The Internet Archive Wayback Machine can make all of this possible.

**How can I get my site included in the Wayback Machine?**

Alexa Internet has been crawling the web since 1996, which has resulted in a massive archive.

Method 1: If you have a web site, and you would like to ensure that it is saved for posterity in the Internet Archive, and you've searched wayback and found no results, you can visit the Alexa's "Webmasters" page at [http://www.alexa.com/help/webmasters#crawl\\_site](http://www.alexa.com/help/webmasters#crawl_site).

Method 2: If you have the Alexa tool bar installed, just visit a site.

Method 3: While visiting a site using the Internet Explorer browser, use the 'show related links' in Internet Explorer, which uses the Alexa service.

In all cases, ensure that your site's 'robots.txt' rules and in-page META robots directives do not tell crawlers to avoid your site.

Sites are usually crawled within 8 weeks of submission, sometimes much sooner. However, there is a 6-14 month lag between the date a site is crawled and the date it appears in the Wayback Machine.

**How can I remove my site's pages from the Wayback Machine?**

The Internet Archive is not interested in preserving or offering access to Web sites or other Internet documents of persons who do not want their materials in the collection. By placing a simple robots.txt file on your Web server, you can exclude your site from being crawled as well as exclude any historical pages from the Wayback Machine.

Internet Archive uses the exclusion policy intended for use by both academic and non-academic digital repositories and archivists. See our exclusion policy.

Here are directions on how to automatically exclude your site. If you cannot place the robots.txt file, opt not to, or have further questions, email us at [info@archive.org](mailto:info@archive.org).

If you are emailing to ask that your website not be archived, please note that you'll need to include the url (web address) in the text of your message.

**What is the Archive-It service of the Internet Archive Wayback Machine?**

For information on the **Archive-It** subscription service that allows institutions to build and preserve collections of born digital content, see <http://www.archive.org/about/faqs.php#Archive-It>

**Can I link to old pages on the Wayback Machine?**

Yes! The Wayback Machine is built so that it can be used and referenced. If you find an archived page that you would like to reference on your Web page or in an article, you can copy the URL. You can even use fuzzy URL matching and date specification... but that's a bit more advanced.

**Why isn't the site I'm looking for in the archive?**

Some sites may not be included because the automated crawlers were unaware of their existence at the time of the crawl. It's also possible that some sites were not archived because they were password protected, blocked by

**the Wayback Machine?****Can I search the Archive?****Where is the rest of the archived site? Why am I getting broken or gray images on a site?****How do I contact the Internet Archive?****What is the Wayback Machine's Copyright Policy?****Why is the Internet Archive collecting sites from the Internet? What makes the information useful?****Do you archive email? Chat?****Do you collect all the sites on the Web?****Is there any personal information in these collections?****Who has access to the collections? What about the public?****How can I get a copy of the pages on my Web site? If my site got hacked or damaged, could I get a backup from the Archive?****Can people download sites from the Wayback?****How do you protect my privacy if you archive my site?****What does "failed connection" and other error messages mean?****Why are there no recent archives in the Wayback Machine?****How does the Wayback Machine behave with Javascript turned off?****How did I end up on the live version of a site? or I clicked on X date, but now I am on Y date, how is that possible? Why can I**

robots.txt, or otherwise inaccessible to our automated systems. Siteowners might have also requested that their sites be excluded from the Wayback Machine. When this has occurred, you will see a "blocked site error" message. When a site is excluded because of robots.txt you will see a "robots.txt query exclusion error" message.

**What does it mean when a site's archive data has been "updated"?**

When our automated systems crawl the web every few months or so, we find that only about 50% of all pages on the web have changed from our previous site. This means that about 50% of the content in our archive is duplicate material. If you don't see "next" to an archived document, then the content on the archived page is identical to the previously archived copy.

**Who was involved in the creation of the Internet Archive Wayback Machine?**

"The original idea for the Internet Archive Wayback Machine began in 1996, when the Internet Archive first began archiving the web. Now, five years later, with over 100 terabytes and a dozen web crawls completed, the Internet Archive has made the Internet Archive Wayback Machine available to the public. The Internet Archive has relied on donations of web crawls, technology, and expertise from Alexa Internet and others. The Internet Archive Wayback Machine is owned and operated by the Internet Archive."

**How was the Wayback Machine made?**

Alexa Internet, in cooperation with the Internet Archive, has designed a three dimensional index that allows browsing of web documents over multiple time periods, and turned this unique feature into the Wayback Machine.

**How large is the Wayback Machine?**

The Internet Archive Wayback Machine contains almost 2 petabytes of data and is currently growing at a rate of 20 terabytes per month. This eclipses the amount of text contained in the world's largest libraries, including the Library of Congress.

**What type of machinery is used in this Internet Archive?**

Much of the Internet Archive is stored on hundreds of slightly modified x86 servers. The computers run on the Linux operating system. Each computer has 512Mb of memory and can hold just over 1 Terabyte of data on ATA disks. However we are developing a new way of storing our data on a smaller machine. Each machine will store 1 terabyte. For more information go to [www.petabox.org](http://www.petabox.org).

**How do you archive dynamic pages?**

There are many different kinds of dynamic pages, some of which are easily stored in an archive and some of which fall apart completely. When a dynamic page renders standard html, the archive works beautifully. When a dynamic page contains forms, JavaScript, or other elements that require interaction with the originating host, the archive will not contain the original site's functionality.

**Why are some sites harder to archive than others?**

If you look at our collection of archived sites, you will find some broken pages, missing graphics, and some sites that aren't archived at all. Here are some things that make it difficult to archive a web site:

- Robots.txt -- We respect robot exclusion headers.
- Javascript -- Javascript elements are often hard to archive, but especially if they generate links without having the full name in the page. Plus, if javascript needs to contact the originating server in order to work, it will fail when archived.
- Server side image maps -- Like any functionality on the web, if it needs to contact the originating server in order to work, it will fail when archived.
- Unknown sites -- The archive contains crawls of the Web completed by Alexa Internet. If Alexa doesn't know about your site, it won't be archived. Use the Alexa Toolbar (available at [www.alexa.com](http://www.alexa.com)), and it will know about your page. Or you can visit Alexa's Archive Your Site page at [http://pages.alexa.com/help/webmasters/index.html#crawl\\_site](http://pages.alexa.com/help/webmasters/index.html#crawl_site).
- Orphan pages -- If there are no links to your pages, the robot won't find it (the robots don't enter queries in search boxes.)

As a general rule of thumb, simple html is the easiest to archive.

**Some sites are not available because of robots.txt or other exclusions. What does that mean?**

The Internet Archive follows the [Oakland Archive Policy](#) for Managing Removal Requests And Preserving Archival Integrity

The Standard for Robot Exclusion (SRE) is a means by which web site owners can instruct automated systems not to crawl their sites. Web site owners can specify files or directories that are disallowed from a crawl, and they can even create specific rules for different automated crawlers. All of this information is contained in a file called robots.txt. While robots.txt has been adopted as the universal standard for robot exclusion, compliance with robots.txt is strictly voluntary. In fact most web sites do not have a robots.txt file, and many web crawlers are not programmed to obey the



**only see 930 out of the 2000 results?**

**Where does the name come from?**

**How do I cite Wayback Machine urls in MLA format?**

**How can I get pages authenticated from the Wayback Machine? How can use the pages in court?**

**For more information...**

instructions anyway. However, Alexa Internet, the company that crawls the web for the Internet Archive, does respect robots.txt instructions, and even does so retroactively. If a web site owner decides he / she prefers not to have a web crawler visiting his / her files and sets up robots.txt on the site, the Alexa crawlers will stop visiting those files and will make unavailable all files previously gathered from that site. This means that sometimes, while using the Internet Archive Wayback Machine, you may find a site that is unavailable due to robots.txt (you will see a "robots.txt query exclusion error" message). Sometimes a web site owner will contact us directly and ask us to stop crawling or archiving a site, and we endeavor to comply with these requests. When you come across a "blocked site error" message, that means that a siteowner has made such a request and it has been honored.

Currently there is no way to exclude only a portion of a site, or to exclude archiving a site for a particular time period only.

When a URL has been excluded at direct owner request from being archived, that exclusion is retroactive and permanent.

**How can I help the Internet Archive and the Wayback Machine?**

The Internet Archive actively seeks donations of digital materials for preservation. If you have digital materials that may be of interest to future generations, please let us know by sending an email to [info@archive.org](mailto:info@archive.org). The Internet Archive is also seeking additional funding to continue this important mission. You can click the donate tab above or click [here](#). Thank you for considering us in your charitable giving.

**Can I search the Archive?**

Using the Internet Archive Wayback Machine, it is possible to search for the names of sites contained in the Archive (URLs) and to specify date ranges for your search. We hope to implement a full text search engine at some point in the future.

**Where is the rest of the archived site? Why am I getting broken or gray images on a site?**

Broken images (when there is a small red "x" where the image should be) occur when the images are not available on our servers. Usually this means that we did not archive them. Gray images are the result of robots.txt exclusions. The site in question may have blocked robot access to their images directory.

You can tell if the link you are looking for is in the Wayback Machine by entering the url into the Wayback Machine search box at [archive.org \(http://www.archive.org/web/web.php\)](http://www.archive.org/web/web.php). Whatever archives we have are viewable in the Wayback Machine.

The archived webpages are meant to be a "snap shot" of past Internet sites. Please note that while we try to archive an entire site, this is not always possible. That is why some images or links might be missing. Additionally some sites do not archive well and we cannot fix that. There is a list of common problems that make a site difficult to archive: <http://www.archive.org/about/faqs.php#12>.

If you see a box with a red X or a broken image icon that means that we unfortunately do not have the images. Files over 10MB are not archived in this "snap shot" of the website.

The best way to see all the files we have archived of the site is: [http://web.archive.org/\\*www.yoursite.com/\\*](http://web.archive.org/*www.yoursite.com/*)

Please note that there is a 6 - 14 month lag time between the date a site is crawled and the date it appears in the Wayback Machine.

**How do I contact the Internet Archive?**

All questions about the Wayback Machine, or other Internet Archive projects, should be addressed to [info@archive.org](mailto:info@archive.org).

**What is the Wayback Machine's Copyright Policy?**

The Internet Archive respects the intellectual property rights and other proprietary rights of others. The Internet Archive may, in appropriate circumstances and at its discretion, remove certain content or disable access to content that appears to infringe the copyright or other intellectual property rights of others. If you believe that your copyright has been violated by material available through the Internet Archive, please provide the Internet Archive Copyright Agent with the following information:

- Identification of the copyrighted work that you claim has been infringed;
- An exact description of where the material about which you complain is located within the Internet Archive collections;
- Your address, telephone number, and email address;
- A statement by you that you have a good-faith belief that the disputed use is not authorized by the copyright owner, its agent, or the law;
- A statement by you, made under penalty of perjury, that the above information in your notice is accurate and that you are the owner of the copyright interest involved or are authorized to act on behalf of that owner;
- Your electronic or physical signature.

Internet Archive uses the exclusion policy intended for use by both academic and non-academic digital repositories and archivists. See our [full exclusion policy](#).

The Internet Archive Copyright Agent can be reached as follows:

Internet Archive Copyright Agent  
Internet Archive  
Presidio of San Francisco  
P.O. Box 29244  
San Francisco, CA 94129  
Phone: 415-561-6767  
Email: [info@archive.org](mailto:info@archive.org)

**Why is the Internet Archive collecting sites from the Internet? What makes the information useful?**

Most societies place importance on preserving artifacts of their culture and heritage. Without such artifacts, civilization has no memory and no mechanism to learn from its successes and failures. Our culture now produces more and more artifacts in digital form. The Archive's mission is to help preserve those artifacts and create an Internet library for researchers, historians, and scholars. The Archive collaborates with institutions including the [Library of Congress](#) and the [Smithsonian](#).

**Do you archive email? Chat?**

No, we do not collect or archive chat systems or personal email messages that have not been posted to Usenet bulletin boards or publicly accessible online message boards.

**Do you collect all the sites on the Web?**

No, we collect only publicly accessible Web pages. We do not archive pages that require a password to access, pages tagged for "robot exclusion" by their owners, pages that are only accessible when a person types info and sends a form, or pages on secure servers. If a site owner properly requests removal of a Web site through <http://www.archive.org/about/exclude.php>, we will exclude that site from the Wayback Machine.

**Is there any personal information in these collections?**

We collect Web pages that are publicly accessible. These may include pages with personal information.

**Who has access to the collections? What about the public?**

Anyone can access our collections through our website [archive.org](http://archive.org). The web archive can be searched using the [Wayback Machine](#).

The Archive makes the collections available at no cost to researchers, historians, and scholars. At present, it takes someone with a certain level of technical knowledge to access collections in a way other than our website, but there is no requirement that a user be affiliated with any particular organization.

**How can I get a copy of the pages on my Web site? If my site got hacked or damaged, could I get a backup from the Archive?**

Our [terms of use](#) do not cover backups for the general public. However, you may use the Internet Archive Wayback Machine to locate and access archived versions of your web site. We can't guarantee that your site has been or will be archived. We can no longer offer the service to pack up sites that have been lost. We recommend using the [Varrick Tool](#). Please keep in mind that this is a third party and we can not promise results.

**Can people download sites from the Wayback?**

Our [terms of use](#) specify that users of the Wayback Machine are not to copy data from the collection. If there are special circumstances that you think the Archive should consider, please contact [info@archive.org](mailto:info@archive.org).

**How do you protect my privacy if you archive my site?**

The Archive collects Web pages that are publicly available the same ones that you might find as you surfed around the Web. We do not archive pages that require a password to access, pages tagged for "robot exclusion" by their owners, pages that are only accessible when a person types info and sends a form, or pages on secure servers. We also provide information on removing a site from the collections. Those who use the collections must agree to certain terms of use.

Like a public library, the Archive provides free and open access to its collections to researchers, historians, and scholars. Our cultural norms have long promoted access to documents that were, but no longer are, publicly accessible.

Given the rate at which the Internet is changing the average life of a Web page is only 77 days if no effort is made to preserve it, it will be entirely and irretrievably lost. Rather than let this moment slip by, we are proceeding with documenting the growth and content of the Internet, using libraries as our model.

If you are interested in these issues, please join and contribute to our [announcement and discussion lists](#).

#### **What does 'failed connection' and other error messages mean?**

Below is a list of the main error messages you will see while searching the Wayback Machine. If you see an error message that does not have the Internet Archive Wayback Machine logo in the upper left corner, you are most likely looking at an archived page or the live web.

**Failed Connection:** The server that the particular piece of information lives on is down. Generally these clear up within two weeks.

**Robots.txt Query Exclusion:** A robots.txt is something that a site owner puts on their site that keeps crawlers like our own from crawling them. The Internet Archive retroactively respects all robots.txt.

**Blocked Site Error:** Site owners, copyright holders and others who fit Internet Archive's exclusion policy have requested that the site be excluded from the Wayback Machine. For exclusion criteria, please see our [exclusion policy](#) (we use the same one used and developed by other digital repositories and archivists both academic and non-academic).

**Path Index Error:** A path index error message refers to a problem in our database wherein the information requested is not available (generally because of a machine or software issue, however each case can be different). We cannot always completely fix these errors in a timely manner.

**Not in Archive:** Generally this means that the site archived has a redirect on it and the site you are redirected to is not in the archive or cannot be found on the live web.

#### **Why are there no recent archives in the Wayback Machine?**

It generally takes 6 months or more for pages to appear in the Wayback Machine after they are collected, because of delays in transferring material to long-term storage and indexing.

There is no access to files before they appear in the Wayback Machine.

#### **How does the Wayback Machine behave with Javascript turned off?**

If you have Javascript turned off, images and links will be from the live web, not from our archive of old Web files.

**How did I end up on the live version of a site? or I clicked on X date, but now I am on Y date, how is that possible? Why can I only see 930 out of the 2000 results?**

**How did I end up on the live version of a site? or I clicked on X date, but now I am on Y date, how is that possible?**

Not every date for every site archived is 100% complete. When you are surfing an incomplete archived site the Wayback Machine will grab the closest available date to the one you are in for the links that are missing. In the event that we do not have the link archived at all, the Wayback Machine will look for the link on the live web and grab it if available. Pay attention to the date code embedded in the archived url. This is the list of numbers in the middle; it translates as yyyyymmddhhmmss. For example in this url <http://web.archive.org/web/20000329123340/http://www.yahoo.com/> the date the site was crawled was Feb 29, 2000 at 12:33 and 40 seconds.

You can see a listing of the dates of the specific URL by replacing the date code with an asterisk (\*), ie: [http://web.archive.org/\\*www.yoursite.com](http://web.archive.org/*www.yoursite.com)

Whatever archives we have are viewable in the Wayback Machine. Please note that there is a 6 - 14 month lag time between the date a site is crawled and the date it appears in the Wayback Machine.

#### **Why can I only see 930 out of the 2000 results?**

The list of results displayed shows the total number of pages we have for a given domain name. This includes numerous repeats as we return to sites to recrawl their content. The reported results is this total; whereas the smaller number relates to the number of unique results only.

#### **Where does the name come from?**

The Wayback Machine is named in reference to the famous Mr. Peabody's WABAC (pronounced way-back) machine from the Rocky and Bullwinkle cartoon show.

#### **How do I cite Wayback Machine urls in MLA format?**

This question is a newer one. We asked MLA to help us with how to cite an archived URL in correct format. They did say that there is no established format for resources like the Wayback Machine, but it's best to err on the side of more

information. You should cite the webpage as you would normally, and then give the Wayback Machine information. They provided the following example: McDonald, R. C. "Basic Canary Care." *Robirda Online*. 12 Sept. 2004. 18 Dec. 2006. <http://web.archive.org/web/20041009202820/http://www.robirda.com/cancare.html>. They added that if the date that the information was updated is missing, one can use the closest date in the Wayback Machine. Then comes the date when the page is retrieved and the original URL. Neither URL should be underlined in the bibliography itself. Thanks MLA!

#### How can I get pages authenticated from the Wayback Machine? How can use the pages in court?

The Wayback Machine tool was not designed for legal use. We do have a legal request policy found at [our legal page](#). Please read through the entire policy before contacting us with your questions. We do have a standard [affidavit](#) as well as a [FAQ section for lawyers](#). We would prefer that before you contact us for such services, you see if the other side will stipulate instead. We do not have an in-house legal staff, so this service takes away from our normal duties. Once you have read through our policy, if you still have questions, please [contact us](#) for more information.

#### For more information...

Check out our [Wayback Machine Forum](#)

#### Questions

**How can I add a thumbnail image to my item's details page?**

**How can I get iTunes to create a new playlist when I stream MP3s?**

**How can I play OGG files on a Mac?**

**I'm having trouble with a 'blank'/corrupted ZIP file. What do I do?**

**How can I add a logo to the upper right corner of my Netlabels collection?**

**How can I get my tracks to show up in the right order?**

**What kind of audio file should I submit?**

**The flash player is covering my files! How do I move it?**

**For more information...**

#### Audio

#### How can I add a thumbnail image to my item's details page?

First, make sure you're logged on to [archive.org](#) with the same email address you used to upload the item.

The image you upload must be named *identifier.jpg* (where *identifier* is your item's identifier name) and you must choose file format JPEG in the metadata editor.

#### To upload the image:

- Go to your item's details page
- Click the "Edit item" link in the lower left box
- Click the Item Manager button
- Click the "Check out files" button
- Upload the image file to the item's directory using FTP
- Check the item back in
- After a few minutes, return to your item's details page. Click "Edit item" and find the .jpg file you just uploaded in the list of files near the bottom of this page. Select the file format JPEG from the drop down menu, and click the submit button.
- Wait 5-20 minutes for your changes to show up. If you're still not seeing your new file, please try clearing your cache and viewing the page again, since you may still be looking at an old version of the page.

#### How can I get iTunes to create a new playlist when I stream MP3s?

As an iTunes user, you might have noticed that iTunes loads the Archive's streaming MP3s (M3U files) into your library, and subsequently the files get shuffled and are out of order. We have come up with a solution to this problem.

#### Step by step instructions:

- Download this [AppleScript application](#).
- Copy the m3uPlayer application to a permanent location
- Choose some recording in the Archive to stream. This will cause an M3U to download to your default download folder (typically your desktop).
- Click on the downloaded M3U file, hit option-I (or option-click and select Get Info). Change "open with" from iTunes to m3uPlayer (locate it wherever you saved it)
- Click change all so that all future M3U files will open this way

That's it! If you have trouble, post a message to this [forum](#)

Thanks to <http://www.balnaves.com/archives/000082.php> for the code, instructions, and inspiration

#### How can I play OGG files on a Mac?

On the mac, there is a free component to ogg-ify itunes. The freeware VLC Media Player will also play OGG files. <http://www.macosxhints.com/article.php?story=20020424233612407>

#### I'm having trouble with a 'blank'/corrupted ZIP file. What do I do?

There are a variety of problems that may be causing this. Here are a couple of the most common. If you have a Mac running OS X, the default unzip utility (Stuffit) does not deal well with those Archive ZIP files that are 'compressed on the fly'. You may see an empty directory - if so, then try downloading [Zip Tools](#) for Mac OS X and using the drag and drop software within that to unzip your download. [Make sure you save your download to your desktop before trying